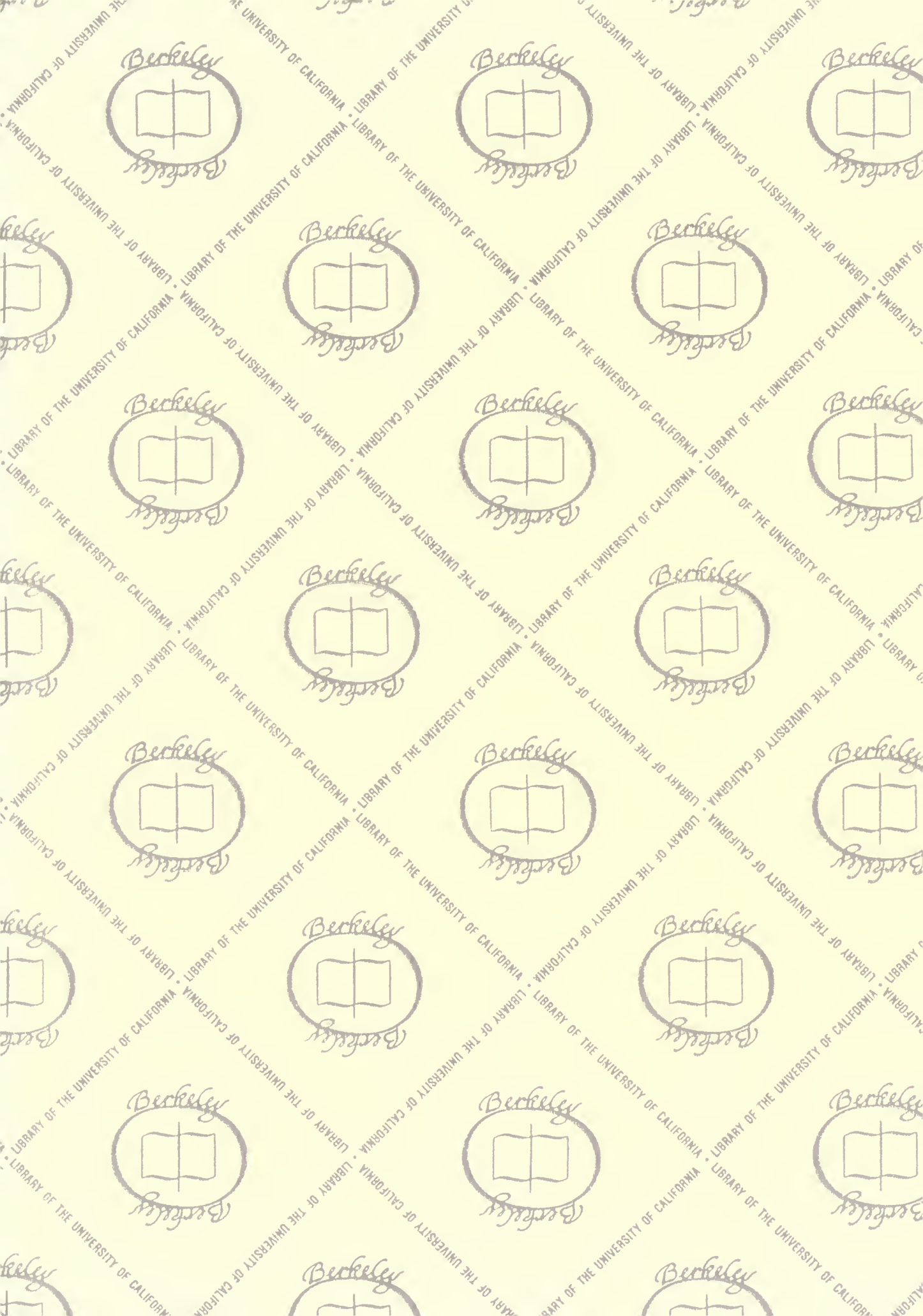


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Governmental History Documentation Project

Goodwin Knight/Edmund Brown, Sr., Era

Hale Champion

COMMUNICATION AND PROBLEM-SOLVING:
A JOURNALIST IN STATE GOVERNMENT

An Interview Conducted by
Amelia Fry and Gabrielle Morris
in 1977, 1978, 1979

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HALE CHAMPION
1977

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PREFACE

Covering the years 1953 to 1966, the Goodwin Knight-Edmund G. "Pat" Brown, Sr., Oral History Series is the second phase of the Governmental History Documentation Project begun by the Regional Oral History Office in 1969. That year inaugurated the Earl Warren Era Oral History Project, which produced interviews with Earl Warren and other persons prominent in politics, criminal justice, government administration, and legislation during Warren's California era, 1925 to 1953.

The Knight-Brown series of interviews carries forward the earlier inquiry into the general topics of: the nature of the governor's office, its relationships with the legislature and with its own executive departments, biographical data about Governors Knight and Brown and other leaders of the period, and methods of coping with the rapid social and economic changes of the state. Key issues documented for 1953-1966 were: the rise and decline of the Democratic party, the impact of the California Water Plan, the upheaval of the Vietnam War escalation, the capital punishment controversy, election law changes, new political techniques forced by television and increased activism, reorganization of the executive branch, the growth of federal programs in California, and the rising awareness of minority groups. From a wider view across the twentieth century, the Knight-Brown period marks the final era of California's Progressive period, which was ushered in by Governor Hiram Johnson in 1910 and which provided for both parties the determining outlines of government organization and political strategy until 1966.

The Warren Era political files, which interviewers had developed cooperatively to provide a systematic background for questions, were updated by the staff to the year 1966 with only a handful of new topics added to the original ninety-one. An effort was made to record in greater detail those more significant events and trends by selecting key participants who represent diverse points of view. Most were queried on a limited number of topics with which they were personally connected; a few narrators who possessed unusual breadth of experience were asked to discuss a multiplicity of subjects. Although the time frame of the series ends at the November 1966 election, when possible the interviews trace events on through that date in order to provide a logical baseline for continuing study of succeeding administrations. Similarly, some narrators whose experience includes the Warren years were questioned on that earlier era as well as the Knight-Brown period.

The present series has been financed by grants from the California State Legislature through the California Heritage Preservation Commission and the office of the Secretary of State, and by some individual donations. Portions of several memoirs were funded partly by the California Women in Politics Project under a grant from the National Endowment for the Humanities, including a matching grant from the Rockefeller Foundation; the two projects were produced concurrently in this office, a joint effort made feasible by overlap of narrators, topics, and staff expertise.

The Regional Oral History Office was established to tape record autobiographical interviews with persons significant in the history of California and the West. The Office is under the administrative direction of James D. Hart, Director of The Bancroft Library, and Willa Baum, head of the Office.

Amelia R. Fry, Project Director
Gabrielle Morris, Project Coordinator

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GOODWIN KNIGHT-EDMUND BROWN, SR. ERA ORAL HISTORY PROJECT
(California, 1953-1966)

Interviews Completed and In Process, March 1981

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Brown, Edmund G., Sr., "Pat". In process.

Champion, Hale, *Communication and Problem-Solving: A Journalist in State Government*. 1981.

Davis, Pauline. In process.

Dutton, Frederick G., *Democratic Campaigns and Controversies, 1954-1966*. 1981.

Hills, Edgar, *Boyhood Friend, Independent Critic, and Campaign Manager of Pat Brown*. In process.

Hotchkis, Preston, Sr., *One Man's Dynamic Role in California Politics and Water Development, and World Affairs*. 1980.

Johnson, Gardiner. In process.

Kent, Roger, *Building the Democratic Party in California, 1954-1966*. 1981.

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Leary, Mary Ellen, *A Journalist's Perspective: Government and Politics in California and the Bay Area*. 1981.

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Mills, James. In process.

Reagan, Ronald. In process.

Rodda, Albert. In process.

Shell, Joseph C., *Conservative Republican Strategies, 1952-1972*. In process.

Simpson, Roy E., *California Department of Education*, with an Introduction by Wilson Riles, Sr. 1978.

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PAT BROWN: FRIENDS AND CAMPAIGNERS. In process.

Burch, Meredith
Carter, Judy Royer
Elkington, Norman
Guggenheim, Charles
Sloss, Nancy

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Brown, Bernice
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Brown, Harold

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Button, A. Ronald, *California Republican Party Official and State Treasurer of California, 1956-1958.*
Gibson, Phil, *Recollections of a Chief Justice of the California Supreme Court.*
Mosk, Stanley, *Attorney General's Office and Political Campaigns, 1958-1966.*
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Becker, William, *Working for Civil Rights: With Unions, the Legislature, and Governor Pat Brown.*
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Davis, May Layne, *An Appointment Secretary Reminisces.*
Kline, Richard, *Governor Brown's Faithful Advisor.*
Mesplé, Frank, *From Clovis to the Capitol: Building a Career as a Legislative Liaison.*
Poole, Cecil, *Executive Clemency and the Chessman Case.*

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Barrett, Douglas, *Goodwin Knight's Governor's Office, 1953-1958, and the Youth Authority, 1958-1965.*
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Groves, Sadie Perlin, *A Career as Private Secretary to Goodwin Knight, 1952-1958.*
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Mason, Paul, *Covering the Legislature for Governor Goodwin J. Knight.*

GOODWIN KNIGHT: AIDES, ADVISERS, AND APPOINTEES. 1981.

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Polland, Milton, *Political and Personal Friend of Earl Warren, Goodwin Knight, and Hubert Humphrey.*

INDEPENDENT DEMOCRATS. In process.

Salinger, Pierre

Yorty, Sam

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Nofziger, Franklyn, *Press Secretary for Ronald Reagan, 1966.*

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Roberts, William, *Professional Campaign Management and the Candidate, 1960-1966.*

Spencer, Stuart, *Developing a Campaign Management Organization.*

CALIFORNIA LEGISLATIVE LEADERS, VOLUME I. 1980.

Caldecott, Thomas W., *Legislative Strategies, Relations with the Governor's Office, 1947-1957.*

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Burns, Hugh, *Legislative and Political Concerns of the Senate Pro Tem, 1957-1970.*

Lincoln, Luther, *Young Turk to Speaker of the California Assembly, 1948-1958.*

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Sumner, Bruce, *California State Assemblyman and Chairman of the Constitution Revision Commission, 1964-1970.*

Allen, Bruce F., *California Oil and Water, and the Politics of Reform, 1953-1960.*

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Teale, Stephen, *The Impact of One Man-One Vote on the Senate: Senator Teale Reviews Reapportionment and Other Issues, 1953-1966.*

Allen, Don A., *A Los Angeles Assemblyman Recalls the Reapportionment Struggle.*

PERSPECTIVES ON DEPARTMENT ADMINISTRATION, CALIFORNIA 1953-1966. 1980.

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Lowry, James, *California State Department of Mental Hygiene, 1960s.*

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Engle, Lucretia, *Clair Engle as Campaigner and Statesman.*

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REMEMBERING WILLIAM KNOWLAND. In process.

Jewett, Emelyn Knowland

Johnson, Estelle Knowland

Manolis, Paul.

REPORTING FROM SACRAMENTO. 1981.

Behrens, Earl C., *Gubernatorial Campaigns and Party Issues: A Political Reporter's View, 1948-1966.*

Bergholz, Richard, *Reporting on California Government and Politics, 1953-1966.*

Kossen, Sydney, *Covering Goodwin Knight and the Legislature for the San Francisco News, 1956-1958.*

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Christopher, George, *Mayor of San Francisco and Republican Party Candidate.*

Weinberger, Caspar W., *California Assembly, Republican State Central Committee, and Elections, 1953-1966.*

CALIFORNIA WATER ISSUES, 1950-1966. 1981.

Bonderson, Paul R., *Executive Officer, Regional and State Water Pollution and Water Quality Control Boards, 1950-1966.*

Brody, Ralph M., *Revising Legislation and Building Public Support for the California Water Project, 1959-1960; Brief History of the Westlands Water District.*

Brown, Edmund G., Sr., *The California Water Project: Personal Interest and Involvement in the Legislation, Public Support, and Construction, 1950-1966.*

Goldberg, B. Abbott, *Water Policy Issues in the Courts, 1950-1966.*

Warne, William E., *Administration of the Department of Water Resources, 1961-1966.*

INTERVIEW HISTORY

A newspaperman turned government technician, Hale Champion was a major architect of and spokesman for the policies of Governor Pat Brown from 1959-1966. Later, as undersecretary of the federal Department of Health, Education and Welfare, he devoted his considerable skills to dealing with many of the same issues that had been crucial in California. Although this memoir does not deal directly with developments of the Carter administration, it provides insight into the pressures that federal requirements put on state programs and, in turn, the shaping influence that the realities of state operations later have on federal decisions when a state officer moves into the federal milieu.

Champion's interest in government began while he was a student at the University of Michigan, developed through experience as a congressional aide and a political reporter, and was sharpened by intensive study as a Neiman Fellow at Harvard. His observation is that journalists fall into two categories: those who wish to report and those who wish "the leverage to affect outcomes." As one who wishes this leverage, he published an article in 1958 outlining the problems facing governor-elect Pat Brown, and that led to Brown taking Champion on his staff as press secretary.* Inside government, he saw journalists as crucial. "Government has to communicate what's going on," he insists. "[Journalists] become almost central to the governmental processes ... not only the communicating out, but understanding, listening, and trying to explain what's coming in."

From the first he was involved in policy-making as well as press relations as the new governor dealt with what Champion sees as the key question of any incoming administration: reorganization of state government and the tax situation. Usually both cannot be handled at a single legislative session. "You have to do too much trading and vote negotiation ... it uses up your political ability."

In 1961, Brown named Champion director of the state Department of Finance, after two less-than-ideal appointments, and Champion embarked upon a virtuoso performance involving both the fiscal and political implications of this key position. Among other approaches, Champion took a quick computer course so as to understand new tools for dealing with vast amounts of intricate data. Today his opinion is that it may be only the law of compensating error that keeps government afloat.

*"California: To the Victors Belongs the Empty Treasury," The Reporter, November 27, 1958. See Appendix.

Much of the following interview deals with the dynamics of Brown's re-election campaigns, in which Champion was quarterbacking strategy on actions in government that related to political issues. Looking back with affection on Pat Brown, Champion recalls that the governor made people feel good to be around him; he enjoyed campaigning. But by 1966 he had largely used up his political capital, trading his IOUs for specific programs goals, such as passage of the California Water Plan and the Rumford Fair Housing Act.

In the concluding section, Champion discusses organizational and financial innovations by which Pat Brown's administration attempted to deal with the growing complexity of government: introduction of the agency system to improve accountability of executive departments, the effort to develop cost controls for the burgeoning welfare and Medi-Cal programs tied to federal legislation, and the urgent effort to win approval for withholding state income taxes to stabilize the revenue cash flow.

Conduct of the Interview

The interview process itself gave some indication of the intricacy and pressure of life at the center of government. The first interview was recorded in the San Francisco regional office of HEW and required a record number of changes of time and place to arrange, probably no more than usual for scheduling a major official. The remaining three sessions were recorded in Champion's Washington office and frequently ran overtime because of interruptions. The office was furnished in black with accents of beige and cream—leather couch at one end, with chairs and a large coffee table. The San Francisco interview was conducted by Gabrielle Morris, the others by Amelia Fry. Preliminary research was compiled by both interviewers, with much of the material consulted coming from Champion's extensive papers in The Bancroft Library.

Champion himself fitted comfortably into either setting. In the July, 1978, interview, for instance, he was wearing dark, pin-striped pants with a white shirt open at the neck, and his sleeves rolled up, looking more like he was ready to put out a newspaper than to hold important conferences at the Department of Health, Education and Welfare. He looked as though he was actually enjoying recalling his days in California and tried very hard to give as informative an interview as possible.

He mentioned that he had just taken the family on vacation up to the Cape [Cod] and that he had taken along the Western Political Quarterly analysis of the 1966 campaign which this office had sent him. The interview leads off with his impression of and reactions to that.

Hale Champion smiles a great deal, partly because he sees ironies in public events that he enjoys talking about and thinking about, and also because he is naturally affable. His whole being is one of well-rounded good

nature. His casual manner belies the fact that underneath is a very analytical man, one who, probably from newspaper training, is able to observe with perhaps more accuracy than others and to see the direction in which events are turning.

As he looks back on those events, he tries to sort out the viewpoint, probably as he had perceived the events at that time. He brings this into the interview, remembering that in '66 people still had a great deal of faith in what government was telling them, as opposed to the skepticism prevalent in 1980, so that those who were in state government felt that the knowledge and intelligence that lay behind the reports that they were getting on the Vietnam War might well be correct.

Champion was always cooperative in scheduling the interviews. Their tone was relaxed and very quiet, even though at the time of the July, 1978, session, for instance, there was a press rumor that Champion was about to move from HEW to Social Security. The Washington interviews began in mid-afternoon and lasted until seven or eight o'clock, with Mr. Champion compensating for the phone calls and quick conferences (only the more urgent were accepted) by sticking with the recording task until we had discussed everything on the outline.

The interview was transcribed and rough-edited in the Regional Oral History Office and sent to Champion for review in February, 1980. By then, he was at Harvard as executive dean of the John F. Kennedy School of Government, but he still found time to review it promptly and return it by June, 1980, only very slightly revised.

Amelia R. Fry
Interviewer-Editor

Gabrielle Morris
Interviewer-Editor

13 October 1980
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VITA -- Hale Champion

BORN: August 27, 1922, Coldwater, Michigan
Graduated from Ann Arbor High School, 1939

EDUCATION: University of Michigan, 1939-1942
B.A., Stanford University, 1952

MILITARY: U.S. Army. 1942-1945, discharged as sergeant

EMPLOYMENT:

Financial Vice President, Harvard University, July 1971-January 1977. One of four vice presidents in the administration of President Derek C. Bok, Champion oversaw budgets totalling \$280 million. He directed financial and physical planning, assisted in financial matters of the 43 major budgetary units of the University, helped assess future needs and resources, and advised the President and Fellows on financial policy.

Vice President of Finance, Planning and Operations at the University of Minnesota, September 1969 - June 1971. He was in charge of a budget of \$250 million covering five campuses with 51,000 students.

Director, Boston Redevelopment Authority, January 1968 to September 1969. He directed a \$1 billion renewal program.

Director of Finance, State of California, 1961-1967. He was responsible for a budget of \$5 billion. As Director, he also served as chairman of the state Public Works Board and the Lands Commission.

Fellow of the Kennedy Institute, Harvard University, 1966-1967.

Press, Executive Secretary to Governor Edmund G. Brown, California. 1958-1960.

Reporter, San Francisco Chronicle, 1952-1958.

Neiman Fellowship in Journalism, Harvard University, 1956-57.

Legislative assistant, Rep. Andrew J. Biemiller (Dem. - Milwaukee), 1949-50.

Reporter on various other journals.

OTHER PROFESSIONAL:

Participant on Presidential task forces on the reorganization of the Federal Government and the role of the University in urban society.

In 1975, Chairman of Massachusetts State Commission on Federal Base Conversion.

Lecturer at the Kennedy School of Government and chairman of a faculty seminar on campaign finance reform.

Past director, Harvard Community Health Plan, the Harvard Management Company, and the Economic Development and Industrial Corporation of the City of Boston.

July, 1979, Executive Dean, John F. Kennedy School of Government, Harvard University.

February 1977-June 1979, Undersecretary of Health, Education and Welfare.

MARRIED: Marie Tifft
 2 children - Thomas and Katherine

I PERSONAL BACKGROUND

[Interview 1: July 15, 1977]##

Michigan Family and Youth

Morris: In the governor's office, were you involved with the fiscal kinds of thinking before you went into the Department of Finance?

Champion: The very first day, because what happened when we went up to Sacramento, we had to produce in very short order the budget, during that transition period. Bert Levit, who was the first director of Finance, was a very able guy who'd agreed to serve for a relatively brief period of time. I think it was a year, year and a half. He was more conservative than Brown and Brown's staff, so that while he did much of the technical work, Warren Christopher and I, I remember, did substantial work on the first budget and tax message, along with the others.

I can still remember that Chris and I really wrote the guts of the first financial message for the legislature. Levit wanted to give less money to education and wanted fewer taxes and so on. So there were sort of countervailing forces--the governor made the decisions and we wrote the message.

That's how I got in, initially. From then on, I was involved, not just as press secretary but, later as executive secretary in many of the major financial issues. It was for that reason that Pat ultimately asked me to be director of Finance. So I was involved in that and fiscal policy from the very first.

##This symbol indicates that a tape or a segment of a tape has begun or ended. For a guide to the tapes see page 141.

- Morris: I'd like to go back and start with a little bit of your antecedents--you yourself as a person. We like to put people in the context of where they came from. That very nice vitae you gave us a copy of said you're not a native Californian. You were born in Michigan?
- Champion: I was born in Coldwater. When I was thirteen years old, we moved to Ann Arbor, so I grew up in a university town.
- Morris: Was your father a professor?
- Champion: My father died when I was six years old. My mother became a county agent for a while, a county welfare agent. When we went to Ann Arbor, she became the secretary to the department of urology in the University of Michigan hospital.
- Morris: You say "we." This means brothers and sisters?
- Champion: Yes. I have a younger brother who's now a school superintendent in Michigan and a younger sister. My brother's only a year younger. I have a sister who's five years younger who's a psychiatric social worker now in Maryland.
- Morris: You were right there in Ann Arbor, so it was logical for you to go to the university?
- Champion: Not only logical, it was the only way I could afford to go to the university. [laughs]
- Morris: It was cheap in those days.
- Champion: Very cheap. I think it was sixty dollars' tuition and I had a scholarship for that. [laughs]
- Morris: And you could live at home.
- Champion: I think it cost me something like a dollar and a quarter a week or something at the time.
- Morris: That's the sort of thing that people of that generation say about U.C., too. I think it was seventeen dollars a semester then. Were your studies in economics, political science?
- Champion: I started out as a pre-law. My grandfather had been a lawyer, or was a lawyer, because he was alive during all that time. I was attracted almost right away--had been in high school, as a matter of fact--to the campus newspaper, and really my chief allegiance was--I abandoned the idea of going into law. I took some economics,

Champion: but basically because I had more courses when I went back to school much later at Stanford, I found that I could get the degree most rapidly in English. By this time I'd been working in the newspaper business and intended to get back into it, so that's what I did. That had always been my interest.

I did do quite a lot in constitutional history and economics.

Morris: What appealed to you about the high school and college newspaper activity?

Champion: Well, you know, it's funny. Because my father was sick when I was young, I learned to read and write before I went to school. Not very well, but enough so that I was always way ahead in school. So I read things that interested me. That was one of the few kinds of things you could do to last a lifetime.

Morris: Did your father teach you to read and write?

Champion: Yes.

Morris: He was an invalid but not too sick to teach you to read and write.

Champion: Right. It was a debilitating disease--spinal meningitis; it was called spinal meningitis. I don't know what the hell it was.

Morris: I always thought that was lethal and sudden.

Champion: No. It was something like that, it wasn't sudden. He apparently got it during World War I, and he didn't realize it, but after he got back, why, it increasingly-- But it happened when I was pretty young.

Morris: Isn't that great that you had that chance to learn from him, and get started early. And it set you on the road to a career.

Was there a School of Journalism at Michigan in those days?

Champion: Yes, but we were very snobby about that. As a matter of fact, we didn't take anybody on the Daily--I think maybe one person from the School of Journalism became an editor of the Daily during the time I was there. None of us believed in that, we all were liberal arts students, and believed that was the best training. Journalism school we looked upon as mechanical, as most undergraduate journalism schools really were. They'd never been very much. You could learn everything there is learn in them in six months. What we really felt was that the people who went to journalism school weren't very smart. [laughter]

Morris: As a discipline, was it that--easy courses?

Champion: It was a trade school.

Morris: And that real journalism required--?

Champion: Oh, yes. You see, we grew up in the era of-- You've got to remember what you read in those days. We read The Way of the Transgressor, all the foreign correspondents that came out of Spain and Germany. That was the great heyday of the foreign correspondent. The old Vincent Sheean Personal History. And all the people who roamed Europe before World War II. Those were the heroes of the time. There also was a strong element in it of-- practically everybody was at the least liberal, and at the most radical. Because it was also a time when everybody was still trying to find their way out of the depression. The kids that came from the cities, from the East, Michigan, there was a big YPSL contingent [Young People's Socialist League]. I was just a country Democrat.

Morris: Would that be populist Democrat from that area?

Champion: A little bit. My grandfather was district attorney of Branch County, Michigan. In 1896 he was elected with William Jennings Bryan, and he was the last Democrat elected in that area until Franklin D. Roosevelt.

Morris: My goodness. So you were a small and stalwart group.

Champion: It was what was known as Chicagoland. The Chicago Tribune landed on every front porch in the morning. My grandfather may have been one of two or three Democrats in this town. I think he enjoyed his role of being somewhat an eccentric. He liked being the only Democrat. He also would go all over the Midwest to defend abortionists which was regarded as--made him a terrible, criminal lawyer. I don't think he had strong philosophic feelings, he just thought they ought to be defended. He got to be very good at it.

Morris: While as district attorney?

Champion: No, no. That was after, that was after. No. [laughs]

Morris: So, your grandfather was nearby and you saw a lot of him growing up.

Champion: He lived with us at Coldwater. He didn't move to Ann Arbor with us but we saw him frequently. As a matter of fact, that's why I am called Hale. When I grew up, my first name was Charles. His first name was Charles. And he was Charles in the family, and I was Hale, so that there was no confusion. That's why I've always been known by my middle name.

[Joe Maldonado enters and leaves]

Morris: Is your family French by descent? Champion does not sound like the usual--

Champion: Yes, but through England, I think. Champion, peasants. I think the history is Norman to England to this country.

Morris: Early in the Michigan area?

Champion: Yes, very early. I once took a course at Harvard. Fred Merk, I don't know whether you knew him, he was one of the American frontier historians, and he did a course called--it was known as "Wagon Wheels," but he sometimes sub-titled it The History of Land Speculation as the History of America. [laughter]

Morris: That sounds like an interesting line of thought.

Champion: Yes, it is. And for the first time I understood how my ancestors had settled in Michigan, because they came out, you know, the old road that ran up through the Northwest Territory. They came out, I think they may have spent some brief time someplace on the East Coast. They came out through that old road that comes up through Ohio, Michigan, Detroit, Chicago; and the story in the family was that they went out, looked at the prairie, and decided this would never do and turned back and settled in this place. They were among the earliest settlers in this little town. My great-great-grandfather founded the first free public library in the Northwest Territory.

Morris: Oh, marvelous.

Champion: And then was promptly voted out of office for this terrible act of use of the public funds.

Morris: That sounds like it was before Mr. Carnegie was donating his free public libraries.

Champion: I think so. I don't know the exact date, I think they're hazy in the family history. At any rate, the story Merk told was that in those days the land speculators would say, "You settle near oak openings," because that showed the land was fertile and that was a good place to settle.

Morris: Oak openings?

Champion: Oak openings, clusters of oak trees, with surrounding land. Well, like most land speculators, they were wrong. It meant that people looked at that wonderful prairie and turned back and consigned

Champuon: themselves to permanent battle with a sort of stony soil. Coldwater is an oak opening on that road. I think my family started out with apple trees, cider and various other enterprises. But most of them were lawyers. I think one of them was in the first graduating class of the University of Michigan law school. And my grandfather took classes from John Dewey.

Morris: That must have been an experience.

There is a consistency and a continuity in the family tradition with what you have done with your life experience. That's interesting, yes.

Cahmpion: Yes.

Morris: It looks as if you signed up as soon as the U.S. got into World War II. You went into the Army in '42.

Champion: Yes. What happened is, I tried to go in--I was a big interventionist. I belonged to the longest-named organization up to its time. It was called the William Allen White Committee for Defending America by Aiding the Allies. I think that was its full title.

We won the battle on campus for the hearts and minds of freshmen because we had the great break of the German-Soviet pact, the Hitler-Stalin pact. So a lot of hitherto future Veterans of Foreign Wars and believers in Gerald P. Nye and all those people tumbled into our camp, because of their disillusion. A lot of them had been sort of fans of the Soviet Union.

Morris: In the '30s? Yes.

Champion: Influenced by John Reed and Lincoln Steffens. But we won them over very quickly after that pact.

Morris: William Allen White was one of your heroes, too?

Champion: No. That was just the name of the group we started. No, William Allen White--as a matter of fact I thought he was a lousy writer. [chuckles]

World War II: Military Government in Europe

Morris: So having advocated interventionism, come December 7, '41--

Champion: Oh. I volunteered to go into the air force, and I got knocked down in an eye test. I stayed in school, but I wasn't paying very much attention. I signed up in the army reserve and then volunteered for active duty that summer. I went into the army in the fall.

Morris: In '42.

Champion: In '42.

Morris: Did you find a chance to use your newspaper interest and skills in the army?

Champion: Yes. Like everyone else, I learned in the army. You know, they wanted to send me to company clerks' school or something like that. And I said, "No." So I went to infantry training. Then I signed up for OCS, but not to be OCS in the infantry. I never could run very fast--either forward or backwards. But while I was waiting, they started-- They had developed a whole school program, and I went into one in which people were in an advanced German program. I had taken enough German to qualify, but I had no colloquial capacity at all. So what they did was put everybody in together and then they selected out the people who really could handle German to get by with for military intelligence. The others went into military government. I went into military government [laughs]. My German never was that good. I got so that I could translate a page of The Magic Mountain in about twenty minutes, but that's about as far--and that's with a little cheating. I didn't try to do everything. And after that I went into military government.

I was in Europe a year and a half, mostly going in behind the Third Army, and setting up civil-affairs military government units until after VE Day, when I had more points than I needed to-- I didn't have enough points to be discharged, but to go home. I don't know if you know about the points system--

Morris: Yes.

Champion: Well, enough to keep me from being sent to Japan. So then they made me a U.S. Army correspondent in Great Britain. All I did was sort of write hometown stories about people who were going home and I went out and spent three months in Ireland, nominally going to Queens College up at Belfast, but actually spending a lot of time down in the Free State.

Morris: Because you liked Ireland, or were you looking into something?

Champion: No, because I found out about the program too late to get into Edinburgh which was where I wanted to go. I still like Scotland much better than I do Ireland.

Morris: That's interesting. What kind of a program were they running?

Champion: It was a program for people who could qualify, who didn't have enough points to go home, and while they waited their turn for transport. The first priority was people going to the Asian theater, second priority was people entitled to discharge, and so they had this program--

Morris: In military government?

Champion: No, it was in the army generally. They had some people--well, they had a school down in Biarritz. But I'd spent some time on the Riviera, while I was in the army, and I took in the U.K. I managed to spend some time traveling around.

Morris: Did you have any thoughts of staying in the army at that time?

Champion: No, no, they offered to give me a commission if I would go to Germany.

Morris: With the Occupation?

Champion: With the Occupation. I said, "No way." I had spent more than three years in the army, and it was about time I grew up and went and did something serious. I really had a very low opinion of the army life. As a matter of fact, in my military government unit program, the colonel said to me, and I used to vary in rank--I varied between private and sergeant, I never went up higher than sergeant. But I went up and down a couple of times. And he said, "I will never understand how you managed to go through a whole war and not be in the guardhouse once." I was not a very good soldier.

Morris: Did you get into mischief, or was it just that you just didn't pay all that much attention?

Champion: I didn't pay much attention. So much of it was so silly. They would give you stuff. They would repeat it nine thousand times. And most of it was so simple that if you didn't understand it the first time you were never going to understand it. So much of it was stupid, hurry up and wait, do this and do that. I had an attitude then, and it is an attitude that persisted until I was thirty years old, that I didn't want to have any responsibility for anybody else and I didn't want anybody else to order my life for me. So I really played very much that kind of--all through my early years both in the army, in school, in the newspaper business.

Morris: Did the military government experience, setting up those units as you followed the Third Army through, did you learn any fascinating lessons about that?

Champion: No, just learned about people a little bit, that's about it. In fact, I learned that whether I was doing newspaper work or going to school.

Early Newspaper and Political Experience

Morris: When you came out, was your plan to go back to school or to go into journalism as a profession?

Champion: Yes, yes. I went back to school very briefly. While I was at school at Michigan, I was offered a job. I spent some time in New York--I don't know if you know who Eliot Janeway is. He had bought a couple of papers up in Connecticut. Before he bought them, he asked me to go take a look at them. I had worked very hard on the Daily and I had already begun to know people who probably by the time I got back out of the army were professionally active and they suggested that he hire me to do this. I looked at the situation, and wrote a series of recommendations of what those papers ought to do and how they might be operated. So he hired me out of school, which was fantastic, at some lordly salary of \$125 a week or something like that.

Morris: That's not bad in 1945.

Champion: No, I tell you. But the bondholders from whom he had purchased the paper were not satisfied, took the thing to court. The deal fell through. I was out of school, I had no job, and I went to work for United Press in Chicago for \$32 a week. I took a hundred-dollar cut before I went to work [laughs].

Morris: So some of the people you worked on the Michigan Daily with didn't go into the service, they went on into regular--

Champion: Yes, or they were stationed in this country--

Morris: And did the Stars and Stripes and stuff?

Champion: Yes. A couple of them didn't qualify. One of them was working for the New Yorker, and one was with CBS. Anyway, they knew Janeway.

Morris: And you stayed in touch with the people that you had known at Michigan.

Champion: Oh, yes. I used to visit New York once in a while. It was just one of those things, you are there on a trip and they say, "Why don't you talk to so-and-so." And that's the way that one happened.

- Champion: But didn't pan, so that fall I went to work for United Press. I worked the graveyard shift for a couple of months. And then they sent me up to Madison to cover the state legislature.
- Morris: Did they?
- Champion: Yes, the legislature during the week and Big Ten sports over the weekend. And then they offered to give me a full-time sports job, which had its attractions. If you want to keep on being a boy there's nothing like it, going from one event to another. At the same time the Milwaukee Journal offered me a job as their city hall reporter in Milwaukee.
- Morris: And is that how you got to know Representative Biemiller?
- Champion: I had decided that I didn't want to stay in Milwaukee, so I was going out and look for a job in California. And I had told the paper I was leaving and he had heard about it. They were running a Truman campaign and I was a Truman supporter, surrounded, as usual, by Wallace friends.
- Morris: That's Henry Wallace?
- Champion: Yes.
- Morris: I see. So your friends stayed further left in their thinking than you did?
- Champion: Yes. I've always had lots of friends who were a little bit out on the left. We've always been in reaching distance--I wanted to do the same things, but I thought their judgment was so bad. They didn't understand how you did things; they didn't understand the system. I just thought they didn't have any political sense. And they always thought I was a dirty politician. [laughter] I guess that's fair.
- Morris: Yes, the difference between whether it's most important to get elected.
- Champion: No, whether it's more important to get things done.
- Morris: Well, the first one of those in a governmental sense is to get elected.
- Champion: Well, that's part of it, that's right. But it isn't only to get elected, that's the distinction. You know, some people are perfectly happy to just get elected.
- Morris: Did you actually work on the representative's campaign, and the Truman campaign?

Champion: Yes, on both campaigns. And, surprisingly, both of them won. But after that was over, I still thought I wanted to go to California and stay in the newspaper business. And I went out--my car broke down on the way out and I had to hitch-hike the rest of the way. I stopped to see my mother, who by that time was living in Phoenix, and then hitch-hiked out. When I got to Sacramento I had \$8 left in my pocket. And I was going to have to wash dishes that night--I wanted to go to San Francisco--but I went into the Sacramento Bee, and they hired me.

Morris: Oh, that's a marvelous tale. What was there about California? Had you been out here to visit before?

Champion: No, I never had been. I had pretty much seen the eastern part of the country but I had never been in California and I am curious about the country. So I came out.

At the end of the year I had an argument, not a violent one, but I wanted to apply for a fellowship, and the Bee would not agree to my doing it. About the same time, Biemiller called me up and made another offer to come back to Washington. I said, I might as well try it. So I did; I went back for a year.

Morris: And worked in Washington with him?

Champion: In Washington as his legislative assistant for a year. I had determined by then that I should go back to school. So I stayed through. It turned out he got defeated, but it wouldn't have made any difference anyway. But I told him that I would be leaving. I went out to Stanford and took my degree at Stanford. I got my effort at the great American novel out of my system with Wally Stegner.

Morris: Did you? I was going to ask you about that.

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Champion: I thought of doing a novel about American politics. There aren't many real ones. There's one in which the hero is alleged to be Lyndon Johnson. I forget the name of that author. One of the books of that trilogy is a very good book about the Texas legislature and its relationship with Johnson. But I thought, there aren't very many good books. There is some stuff with moxie, but very little. So there is something that, having observed and seen something of, I might try. American politics it's very hard to write well about. It all comes out melodrama, trash, and it doesn't ever really--somebody will do it. And I may say that the theater stuff about American politics is weak and trashy. It is really amazing that there is so little good stuff.

Morris: I've thought about that too. It strikes me that there is so much drama inherent in politics that you ought to be able to put it on the stage.

Champion: But you almost have to write it down, not up.

Morris: The truth is more dramatic than--

Champion: Yes. Stuff about conventions, and so on, isn't the real--

Morris: Do you still think that some time you might have a go at the great American political novel?

Champion: No. Every once in a while I think-- I have a son who's in the process, he hopes, of becoming an actor. I think he's pretty good. He's a better actor at twenty-two than I was a reporter. But that's no guarantee now. There are so many actors you can hardly count. He and I have talked a couple of times about politics and how they could be put into the theater. And I thought a couple of years ago I might try it, but then I went to HEW. You know, it's very clear what kind of a life I've got and what I do, and so on. There's no reality to my writing something at all.

Morris: Did you get the fellowship to go to Stanford?

Stanford: San Francisco Chronicle; Neiman Fellowship

Champion: I got the GI Bill to go to Stanford.

Morris: Of course.

Champion: I had a small--and I'll tell you what really made my year at Stanford. I had a very small inheritance, four or five thousand dollars, from my grandfather, but it enabled me to buy a yellow convertible. I mean, I was finally totally converted to the capitalist system. From then on any lingering socialism left me. I was seduced by a yellow car. But I had very good times at Stanford. I met my wife. After I got my degree at the advanced age of twenty-nine or thirty--

Morris: Well, you were in good company at that time. Weren't there still a lot of people like yourself?

Champion: Most of it had gone by. Most of the people came back after the war and went back into school right away. Most of my friends were in the classes of--well, they were in law school classes.

Champion: They were mostly done before the Korean War. So when I was in school there were not a lot of them, there were very few veterans. As a matter of fact, I remember at Stanford, it was funny, I argued with people in class, with instructors and so on. The kids were really appalled by it. I tried to behave better, but I couldn't keep my mouth shut. We belonged to totally different traditions. At Michigan we argued about everything; we could spend an hour on whether or not the Boy Scouts were a fascist organization [laughs]. We could argue any point in the world. But the fifties were the time of the alleged silent generation. It wasn't so silent outside class, with a few beers. But in class it was very quiet.

Morris: One respected one's professors, is that it, at Stanford?

Champion: Oh, yes, you wrote it all down, and you gave it back to them. I tended to give it back to them in class and not quite so quietly. The guy I really respected, though, was Stegner. He enjoyed that give and take. I was interviewed two or three years ago about differences in eastern and western ways of looking at things and somehow Stegner got into the conversation and it was printed. And he wrote me a letter, "I always knew you were the John Dean of your generation, calling me a critic." And all that I could write back, "I'm sorry, but the name of that particular course was Criticism 132 or something like that. And if you were under false colors that isn't my fault." But we'd get into arguments about Lord Jim and individual responsibility and so on. And the class sat there and just looked at us.

Morris: That's interesting. I would think they would have learned a lot from the interplay of--

Champion: Well, if they did, they never mentioned it. [laughs] There was no visible evidence. But it was a pleasant time.

Then I went back into the newspaper business and there was sort of the expectation I was going to stay in it. I went to work at the Chronicle; got a job, got married immediately. I was broke. I started to do a little graduate work, but I couldn't afford it. I certainly couldn't afford it if I was going to be married, but I didn't feel any strong impulse to become a scholar anyway.

Morris: And you did decide that you wanted to stay in California?

Champion: Yes. Settled in San Francisco. I went up and got a job with the Chronicle.

Morris: Because you were here or did the lure of the great western frontier grab you?

Champion: No, no. I was here and I liked it. And at that point the Chronicle was trying to make a run at becoming a good newspaper. It was much better in those days than it is now. Paul Smith was hiring a lot of people; his notion was that there was going to be a great regional newspaper in the west and he had the revenues coming from the Chronicle to--

Morris: Build up the staff and--?

Champion: Yes. And when I went to work there I really was kind of appalled. He was trying to hire people with very little experience and sort of teach them his way. I was the exception--I had quite a lot of experience by that time. So he was really dubious about whether or not I should be hired. The editors were anxious to get certain kinds of work done, [laughs] like being able to write sentences with reasonable rapidity, and so they prevailed and I was hired. Within a year or two, the family which owned the Chronicle (you know, you never know these stories around the city or know what's going on), but the general understanding was that the family was tired of spending all the money it was making on television running the paper, because the paper was losing--the story was--eight hundred thousand dollars a year in those days. And they really didn't want to spend that much supporting Paul Smith's efforts to create a great newspaper. And, as a matter of fact, there was some validity to the complaints. There were lots of people around there who were lucky to do a story a day. There were more people than could be profitably employed. It was nice for them. And there were some able young people among them.

Morris: That was when Art Hoppe was new too, wasn't it?

Champion: Oh, yes, Hoppe and I sat beside each other at the Chronicle for six years. We're old friends.

Morris: I figured from the way you called him.

Champion: My other major friends at the Chronicle were Dave Perlman, and a fellow who got killed in a plane crash at Guadalajara. He was one of the early discoverers of that beach place below Acapulco. What's it called?

Morris: Puerto Vallarta?

Champion: Puerto Vallarta. He was one of the first--and it was a Mexican airline plane crash. Edd Johnson. Dick Reinhardt, who now teaches journalism.

Morris: Why don't we stop there, because when you work your way up in the Chronicle, then you go into political reporting work there, too, don't you?

Champion: Yes. Yes, I did night desk work. That's where I wrote some magazine pieces for the Reporter. I wrote and produced--if you work as a reporter, it's not a full time job. It's a lazy man's job and, I guess whatever else I am, it's funny, but I must have things to do. I just can't sit around. So I did those other things. Some of those were political in character. I did an educational TV thing that was called Profile Bay Area. Roger Boas who is now the chief administrative officer was the guy who was in front of the camera.

Morris: So you branched out and learned the rest of the media, too.

Champion: Yes, a little bit. I wrote mostly for the old Reporter magazine. I don't know if you're familiar with it, but it paid a little better than the Progressive and the Nation. I did some things for them, but the Reporter gave you a little research money and so I did things for them on the west coast. But I was never the political reporter although I did sort of side political stuff. Squire Behrens, bless his soul, was the political editor in my time.

Then in '56 I went back, I had a Nieman Fellowship at Harvard, which was a glorious year.

Morris: That's quite an honor, isn't it?

Champion: Yes, it's a competitive thing.

Morris: Do you submit a plan for what it is that you want to do there?

Champion: Yes. You send them copies of the things that you've written and you submit a plan of what you want to do. Most of the plans are cooked up to try and impress the selectors rather than-- There's less truth than meets the eye in most of those plans.

Morris: It sounds like proposal writing.

Champion: A good deal, and I did a good deal of that. Basically the selections are made more on what people have done, and what potential they have. I think the idea is to promote American journalism. I have since served on the selection committee, so I have seen how this process works.

Morris: How do you judge the will of an aspiring young journalist?

Champion: By reading the stuff, what they are interested in, how they have reflected what they've seen and done, how venturesome it's been, really: is it routine or are they trying to do new things-- At least that's the way I do it, I guess everybody does it a little

Champion: differently. I suppose it depends on your basic orientation. One thing, I always like people who try and do something different, even if it's already being done. You know, people live within constraints--I have only been the most radical person present one time in my life. We had freshmen tests at the University of Michigan which tested basically whether you wanted to change things or not. And I was first [laughs]. The only test I ever finished first in in my whole life. [laughter] So, you look for change, which isn't hard to do when you come from Coldwater.

Morris: People from Coldwater like to change things?

Champion: No. I'm explaining that Coldwater produces a great yen to change things.

Morris: I see, I see. Well, that's a great American tradition.

Champion: You know, if I had to look at one generic kind of imbalance in my approach to problems, I would have to say I probably lean a little more to seeing if there isn't some better way, maybe without adequate evidence that it is better. I would rather try something and not wait till all the data is in one hundred and twenty years from now.

I get very upset with the current dominance of social science in public policy, because we have gone from looking at things and trying things in a fairly pragmatic way and seeing how they fit the problems, to doing experiments and evaluations in which the arguments are over what the data mean, instead of what kind of impact it seems to have in a more general, pragmatic type of sense. Does it work? Does it solve the problem? And the social scientists have turned this into such a complicated thing you can prove anything. I think it's an over-correction. I think a lot of the observations--we could have learned more and we should have learned more. We should have paid more attention to what possibilities there were to test things. But I think we've gone way overboard now; we sit and watch people be miserable for substantial periods of time or we try to figure out what the data means.

I would rather do something and make a mistake than stall away a whole generation. And that's particularly now, you know. The generations go like this; society changes so fast and social science is so slow that it becomes a pretty heartless enterprise. So I still have that same impatience that I had forty years ago about all that. I just think it's-- I suppose people accuse both Joe [Califano] and me in our current roles of doing things too fast, and not waiting until all the evidence is in. There isn't time enough in a lot of people's lives and situations to wait for all-- And when it does come in, they'll argue over what it means.

Morris: Right, and probably you can't get all the data anyhow. By the time you do, the situation will have changed.

Champion: That's the great difference of government from newspaper work. Every day in the newspaper business you have to decide how far you can go on how much you know, because you've got a deadline and you've got to decide then. You never have enough information, and nobody ever has enough information, but you've got to make some decisions and you've got to do some things on, admittedly, inadequate information. And try not to go beyond it, beyond what you know. Try to control it in one minute, but do it. And you've got to sit there at the end of the day, on a subject that maybe you never saw before, and you've had to learn as much as you can about it, and you've got to record it. Now, you can make lots of guesses, but you've got to try and sum it up, to get hold of it quickly and commit yourself, because you've got to write it down.

Morris: It's going to be in the paper the next morning. That's fascinating, yes. I know you have other appointments, so let's end here.

II DEVELOPING PERSPECTIVE ON GOVERNMENT

[Interview 2: April 14, 1978]##

More on College Studies, Political Reporting

Fry: The first thing on our agenda today is your college life at Ann Arbor and Stanford. I wanted you to expand on that a little bit more, because it isn't clear what you really distilled out of those two institution--from your experiences in that. In other words, what stood out and what did you think affected you--the courses, and the professors, and things like that. Do you remember anything at this point?

Champion: No. To say anything useful takes a lot of time, and I don't really think it's all-important. I think the only thing I was trying to say in that discussion there, is that when I went to Michigan it was a very different time, it was before World War II, you still had a lot of strong, ideological feelings and arguments on campus. Students tended to argue a lot in class, to raise issues, and so on; whereas Stanford was, in the early fifties, a very passive kind of place where students took notes and regurgitated them. Generalities are always wrong, so that wasn't completely the case in either place. But the tenor was very different.

It's also some of the difference between a large public institution with almost no tuition and a place like Stanford, which could be selective, either on the basis of funds or on the basis of talent. Therefore I found Michigan a much more interesting, vital place in terms of the student body. There were just as good teachers at Stanford.

Fry: Was your interest primarily in journalism?

Champion: No, I started out as a pre-law. There were a lot of lawyers in my family at that point. My great-grandfather graduated from the first law class at the University of Michigan. I started out in pre-law, but I fairly quickly decided I didn't want to go into law and I became very interested in journalism very early. It was within about a year or two.

I did end up taking a degree in English, just because that was my--

Fry: I think you explained that. That was considered a little bit better education--curriculum.

After Michigan and Ann Arbor and the way, and all that, you went to Congressman Biemiller's office at some point--

Champion: No.

Fry: --and you went to the Milwaukee Journal at some point. Could you straighten that out?

Champion: I'll just straighten out the chronology. What I did was I came back from the army--it has to be early in '46. I went back to school briefly at Michigan. My family lived there. I decided I did not want to stay in school. I was offered a newspaper job in the East. That didn't pan out, but I ended up working for United Press in Chicago in the summer of that year. I was there very briefly and then they sent me up to Madison to cover the state legislature.

Fry: For United Press?

Champion: For United Press. I stayed there into June of '47. I was there through one session of the legislature, at which point I went to work for the Milwaukee Journal. They hired me. I went into Milwaukee and I was the city hall reporter for the Milwaukee Journal until the fall of '48.

Fry: When you went to the legislature, I thought that maybe that was the significant thing for you, because was that your first experience in state government.

Champion: Yes. I hadn't had any before. That is the first time I had any experience with state government.

Fry: Did this firm up any convictions for you that you felt that state government was an important thing in which you would like to participate some time? Or were you simply covering it as an objective reporter, as another beat?

Champion: It wasn't a matter of importance and so on. I found it very interesting. I had always been interested in politics. I was interested in politics even when I was at the university, when I was one editor of the Michigan Daily. I was interested in political events. I had been since high school.

Fry: Did you run for any campus office? Or were you interested in the world outside in political events at Michigan?

Champion: Well, outside. But I was very interested in the political life of the campus. That was in the big arguments over whether we should get into World War II or not. I wrote editorials and took positions. I belonged to an organization.

Fry: That was the William Allen White organization that you belonged to.

Champion: That's right. I went to some national meetings of these groups. All of them were, basically, interventionists. And the campus, during that period of time, was in the middle of a major shift from being very isolationist in--'38 or '39--and progressive changes, as the Hitler-Stalin pact and other things began to change it. But my position throughout was consistent. I thought that the war was coming and we'd better get into it.

Fry: Did you go to work in Congressman Biemiller's office?

Champion: No. What I did--I had decided to go to California. I was going out there to do newspaper work just because I'd never been there, and I wanted to move. I decided I didn't want to stay in Milwaukee.

Just as I was about to leave, the '48 campaign started. Biemiller was running for Congress, and it was also the Truman campaign. So I worked with Biemiller in the Truman campaign. He got elected. Then he wanted me to go to Washington, but I didn't want to go to Washington at that point.

Fry: To be his AA?

Champion: To work for him without a specified job. Instead, I then followed my original plan and went on out to California.

Sacramento Bee Reporter, 1949; Observations of Earl Warren as Governor

Champion: I worked for a year for the Sacramento Bee, where once again I was dealing with state government within various kinds of--well, I did a series of articles on mental institutions.

Fry: And this was about what year?

Champion: This was the year 1949. I was in Sacramento probably in '49. That was the time when they were building up the sentiment for reforming the mental health institutions. I toured the state; went to the institutions. Then, at the end of that year, Biemiller again asked me to come back and work for him.

I'd had a couple of arguments with the Bee about various things. So I decided--

Fry: Was Walter Jones editor-in-chief?

Champion: Yes, that was Walter Jones. During that year, Walter asked me if I would like to write some editorials for them. I said, yes, I didn't want to stop being a reporter, but I'd be glad to write some editorials. Our deal was I would write editorials on subjects in which I was interested and they could print them or not print them. There, they'd want to suggest one--did I want to do it. That's always an uneasy relationship because you're doing work to which they may or may not want to be committed.

But what we really had the big argument over was when I did the series of articles on the mental health institutions. They were working very closely with Earl Warren on the campaign to change them. Some of the things that came out of my findings required different reforms than those of the governor. But the Bee's editorials would cite my stories and then say that the stories demonstrated Warren was right. I would say to them that the paper can take any position it wants, but don't say that these stories indicate such conclusions because the stories didn't draw those conclusions, and I don't think it's right to say they did. You know, that kind of thing goes on around a newspaper all the time, or at least goes on between me and newspapers all the time I work for them.

There was one other thing. I wanted to apply for a Nieman Fellowship, and the Bee had a policy against it. Once again I said, well, I can understand why you wouldn't want reporters to keep going off, but I'm not going to work for a place that has a policy against doing that kind of thing.

Champion: As you can tell, I was moving every couple of years--I didn't have any obligations, so I did what I wanted to. If I didn't like something, I didn't do it. About that time, Biemiller invited me to come back again. I said, "Well, I'll do it." That's when I went back to Washington and worked for Biemiller through the balance of that term.

Fry: What did you think of Earl Warren's governorship from what you could see of it at the Bee, at the time?

Champion: I thought fairly well of it. Later on, when I was in state government, I saw evidence of some of the things that he'd done. I think he was quite a good governor of California. He was sort of increasingly more liberal or more progressive--however you would want to describe it.

Fry: In his governorship?

Champion: In his governorship and in his later career as a judge. Here's a guy who started out when he was a district attorney, in which he would try cases in the newspapers, moving gradually to a much greater and more understanding position of the problems of the people he was dealing with.

As a matter of fact, the classic story is that Pat and Earl Warren used to hunt ducks together. They would come back and Earl Warren would always have his full bag--I think it was fifteen. Pat would have an impressive array, but nothing like Warren. Warren would say, "Well, you know, Pat and I are a lot alike. But Pat still commutes a lot more than I did." [laughter] Warren was referring to the fact that Brown seldom let anybody go to the gas chamber, but Warren almost never commuted such a sentence.

Fry: If you noticed some liberalization in the latter part of Warren's administration, I'd be interested in knowing why.

Champion: I just had that one year, and I was not covering the governor, but I thought basically the positions that he was taking, such as the reform of the mental health system, were consistently liberalizing and humane.

I didn't agree with some of the political constraints as to where you locate institutions of this size. Some of them were economic constraints; some were political. Fundamentally, he was showing increasing concern about the problems of the people involved and, basically, being more humane than had been the California tradition, which had not been terribly tolerant of the mentally ill.

Champion: He brought in very good people who, I think, built in standards of integrity into the state civil service, as well as progressive kinds of techniques. Dick McGee is probably one of the best known. He stayed on, of course, in the Brown administration.

Fry: Department of Corrections, yes.

Champion: He also had some people who were not all that great. He had the usual problems with the legislature, which had a lot of lobby-ridden connections that persisted for a long time after Warren. I thought Warren's basic thrust, basic set of motivations (and he was a strong guy, like setting up the crime commission and some of the other things he did--I think some of them were in the sort of progressive tradition of being tough) but generally, I'd say probably his objectives were pretty good all along. What he really did was move in the direction of being more careful about the means. Being progressively more careful and more respectful of other people's rights and concerns and the means used to achieve those ends.

Fry: The articles on mental hospitals were an eye-opener to a lot of people in California. I wonder if, at the time, it was an eye-opener to you.

Champion: Oh, yes! I'd never seen--I'd never been inside. They gave me carte blanche. They let me go in and spend time in the places, and go to any place I wanted; see anything that I wanted to see--because they were trying to reform the system and they wanted the public to understand why they should spend money and what they should do. I didn't have to disguise myself as being any nuttier than I really am. I was just given carte blanche to go in and observe and write it up. Sure, it was an eye-opener.

My mother was a social worker. I used to go out with her when she did her chores. County agent, they called it, back in those days in Michigan. So I've seen people who've been in trouble but I was too young really to get involved. I'd had some exposure to it, but I hadn't seen that kind of mass misery before. The back wards of those places are incredible.

Aide to Wisconsin Congressman Biemiller

Fry: When did you become a Nieman Fellow? Was that after you went to the Chronicle? Or what came next after Biemiller in Washington?

Champion: After Biemiller, then I decided it was time to get my degree, and I came back up to Stanford. That's when I went to Stanford, got my degree, and I was doing some writing.

Fry: In your previous interview, you didn't mention anything about your experiences in Biemiller's office and what you did there.

Champion: I did several kinds of things but the major--Biemiller was the floor manager for the Truman health legislation. We worked on what was then called the Wagner-Murray-Dingell bill--which was one of the very early national insurance plans. He also helped in the development of several of the National Institutes of Health.

We had a bill which almost got through--would have, except for a late double-cross--to give some federal money to medical schools. The American Medical Association talked the deans out of it at the end by saying that they would help them get more money.

We also worked with mental health legislation; things of that kind. Most of the work that I did that year with Biemiller had to do with health legislation.

Fry: That bill, I think, was the one that was killed in committee by the AMA?

Champion: As I recall. My memory is dim, but Hugh Scott--

Fry: I recall Senator Douglas saying something about it at the time.

Champion: He may very well have.

Fry: Was he one of your friends?

Champion: A friend of the legislation. I knew him only slightly. Basically, Biemiller and Humphrey worked as the collaborators. But on this one, the reason we thought we were going to get it through, is that we also had some Republican collaboration. Hugh Scott, who was then in the House on the Republican side, was one of the co-authors and was pushing.

When the AMA pulled the plug, or rather when the deans--the AMA didn't have the power to pull the plug themselves. What they were able to do is to persuade the deans of the medical schools, for whom the money was intended, to say they didn't want it. That, in effect, is what pulled the plug. That was the operating fact there.

Fry: This was the time, too, of Truman's medical insurance, right? Do you remember that--did you work at all with that?

Champion: You mean the national insurance bill?

Fry: The national insurance bill.

Champion: Yes. Biemiller was on the House Commerce Committee and, for all the health legislation, he was sort of the administration spokesman.

Fry: You're sitting here now in HEW, so all that kind of makes sense, doesn't it?

Champion: At least it's reminiscent of some of that.

Fry: You're not sure how relative it is at this point? [laughs]

Champion: Earlier this year, when I chaired the national advisory committee on national health insurance issues--at the opening thing, I said, "Look, this is the first time I've been in Washington in thirty years on a regular basis. The last time I was here, we were talking about national health insurance." There was some deja vu in that.

[secretary appears] Excuse me a second, I've got to go.
[Tape turned off briefly as Champion leaves the room]

Reporting from the Bay Area; Job Offer from Incoming Governor
Pat Brown

Fry: Then you went back to Stanford. From there, you went to work on the Chronicle, is that right?

Champion: Yes. While I was at Stanford I met my wife. To get married, I had to make some money, so--I had finished the degree; I started to do a little graduate work. I went to work for the Chronicle in 1952. I went to work for the Chronicle and got married.

Fry: Just as Adlai Stevenson was running.

Champion: Yes.

Fry: By the way, Mike Harris says to give you his best regards.

Champion: You know Mike?

- Fry: Oh, yes. He's one of our very best helpers and advisors. He said that the paper went through a lot of interesting changes while you and he were both on it.
- Champion: Oh, yes. He had also worked for the Milwaukee Journal when I was in Milwaukee. But it was entirely by coincidence that we both ended up at the Chronicle.
- Fry: So you were both there. Did you start right out working on political articles when you went on the Chronicle?
- Champion: I did rewrite and sort of general assignments. As a matter of fact, when I went to work for the Chronicle, it was when Paul Smith was trying to build it up into a prestigious paper--and he had really hired more reporters than they knew what to do with. Most of them were relatively inexperienced. I quickly found I could do what I wanted to do most of the time outside of rewrite. I did a variety of things, but almost all of them had some governmental relationship. I also occasionally would cover city hall on a subject or two, although I never did it as a regular assignment. Or I'd go up to the legislature.
- But I did articles on things--oh, I did some on the ways of the San Francisco Library; I did some on horseracing in California, how it had built itself into the governmental and philanthropic structure. Various tracks--how they built themselves a political base, using charity days and contributions. I did a series of Kaiser Permanente and its development as a prepaid health system, the health maintenance program.
- I did some stories on the Long Beach oil situation--the entanglement with the state--the politics of Long Beach. I also did some side things. I wrote articles for The Reporter on politics. I produced a television show called "Profile Bay Area" on KQED, when Roger Boas was on-camera interviewer--I wrote and produced most of those interviews with people.
- Fry: That was in the earlier days of KQED, wasn't it?
- Champion: Oh, yes. About '57--in the mid-fifties somewhere. One year--'56-'57--was my Nieman year at Harvard. I went back and spent the year. Then I came back the last year I was at the Chronicle, I was the political editor because Squire Behrens was sick. So all that year, I did the straight political editor's job.

It was after Squire recovered--he was really very ill--and he came back to the paper that I left.

- Fry: Why did you leave it?

Fry: To go on this fellowship?

Champion: No. I had been on my fellowship at that point. I had one offer to work for the Chicago Sun Times in their Washington bureau. I wrote an article for The Reporter in the fall about Pat Brown; this was an immediate post-election thing--how that it was nice to have won, but there were a lot of problems that I raised some questions about his capacity to deal with.*

That review led to his offering me a job.

Fry: I thought that article really turned out to hit the nail on the head on a lot of things. I remember you said that probably Brown will run the state with the help of Fred Dutton. And you made a couple of other predictions in the article that came true. I just took a couple of notes on it.

Champion: I haven't seen it for years.

Fry: What did Brown do, read it and call you up?

Champion: I don't know what sequence it was. I certainly had not had any conversations or any notion that such an offer was coming--I think it probably coincided with the fact that they were not satisfied with the people they had talked to to do the press job for them. So I think it wasn't just the article, although I think that's Pat's memory of it, maybe, at this time. Dutton can tell you better the sequence of those things than I can. I don't recall. Neither Fred nor Pat are exactly what you would call totally organized people. They have a lot of things going and what comes first and what comes second sometimes blurs at the time, and in memory is totally lost. But it was during that time, I think, that Pat saw that article that Dutton had talked about. It was after he saw the article, though, I think, that he first talked to me.

Fry: That's who?

Champion: Brown. The offer and the agreement did not come until after he had seen that piece.

Fry: So you went on.

*"California: To the Victors Belongs the Empty Treasury," The Reporter, November 27, 1958. See Appendix.

1956: Nieman Year at Harvard; Reporters as Observers and Participants

Fry: You'll have interviews with Gaby Morris on your work in the governor's office. Then you and I are going to skip to 1952, but before we do that, could you just say a word or two about your Nieman Fellowship at Harvard and what this contributed to your life?

Champion: That was one of the--if you look back and try to think in an exhaustive way, what are the most important educational pieces, probably the most important was in the eighth grade, where I had a teacher named Melissa Sommelroth, who was an absolute nut about sentences. [laughs]

Fry: She made you learn your--?

Champion: That's the only training that I have ever really had in how to write an English sentence or how to communicate. That's the single most important course I ever took. There are people and teachers--individual teachers--and various courses that I enjoyed and that I got something out of.

But I think that altogether, that the Nieman year, as it is for most people who do it, was over-all the best year I ever spent in an educational institution. Maybe that's partly temperamental--not taking courses for credit, you can put all your energies into writing a paper on one subject. I happened to write mine on what I thought--

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Fry: I have to repeat that because the tape was being turned. You wrote your paper on the growing belief that the independent--

Champion: It was an attack. I attacked the independent voter. The independent voter had become very popular: vote for the man; not the party. Split your ticket. Leave everybody confused as to what you really intend in terms of any coherent program and so on. The whole trend of our political science or civics--I think civics is probably a better term for the sophomoric level of this kind of stuff--has been that this is sophisticated voter behavior. In my view, it's very unsophisticated voter behavior. That's the one paper that I did.

The combination--for American intellectual history you get Schlesinger and Galbraith. You get Galbraith and Sumner Schlichter arguing economics. I had back-to-back courses from a classicist who taught in the English tradition (who really thought

Champion: the Sophists made more sense than the Aristotelians) which started lots of arguing--and went immediately to Otto Friedrich, who was arguing reasons of state. You could even get people back and forth in arguments between classes, or at least the Niemans could, to start trouble.

They'd say, "Well, Friedrich says this," and then you'd go back and carry the arguments back and forth from one class to another. That was intellectually the most stimulating. Friedel, from the early Roosevelt years; I'm still a Roosevelt fan. He's the only president's picture I have over there on my wall.

Fry: You must be the only cabinet person who has only Roosevelt in your office. [laughs]

Champion: Well, if Carter sent me one I would put it up. That's an old family picture. I'm much older than most of the members of the government.

Fry: You started out your interest in politics at a much younger age, too.

So the Nieman year really set you up for a broader view of politics and society, it seems.

Champion: Yes. As is so frequently, anybody's who's in journalism really has to assess fairly. There are two good kinds of journalists. There are lots of types of journalists, but I think there are two who do good work. There's always a battle about which one's right. There are those who are genuinely the observers, who are not seeking to influence the outcome. They're really trying to provide people with good information with which to draw their own conclusions about the outcome. Then there are a lot of people like me who get into journalism because they aren't affecting the outcome--they're interested in having their perception help shape outcomes. But the closer you get to the process, the more you understand how--unless you have some great central ideas, which God knows I've never had--you have small influences from time to time, but it's peripheral to the processes. Nothing like the leverage you have to affect outcomes if you're actually in office.

A lot of those people move gradually out of journalism into government. The reason that they find their way into government easily is the government gets more and more complicated and difficult to communicate, and people spend a good deal of time trying to explain things; government has to communicate what's going on, and they become more and more useful in the governmental processes. In fact, they become almost central to it, because it's the communication--not only the communicating out, but it is understanding, listening, and trying to explain what's coming in.

Champion: Once in the early days in Brown's office, a bunch of us sat around talking about it. It turned out that it was about half and half lawyers and newspapermen. I think there was one academic.

Fry: On the staff?

Champion: On the staff, and we tried to figure out how that came about. When you look at it, you really see some of the common characteristics that newspaper people and, to some extent, lawyers have. Great mobility; they deal with different subject matter from day to day; different cases from day to day, different kinds of people from day to day; and they have to make very quick decisions on inadequate information. They need to know how far they can go on what information they have. Sometimes they have to do that very quickly.

Fry: That's an interesting common denominator in both professions.

Champion: Which are very important to government.

Fry: It's quite necessary in government administration.

Evaluation of the San Francisco Chronicle in the 1950s

Fry: When you were on these papers, did you find a great difference between the Bee and the Milwaukee Journal and the Chronicle in that--as I understand it from Mike, the Chronicle was changing from its image of being a kind of Republican mouthpiece to a more professional newspaper--

Champion: It went through a brief period.

Fry: --but I thought maybe the Journal had been the more objective.

Champion: Oh, yes. The Journal and the Bee were inherently better newspapers than the Chronicle--better in the sense of more integrity as newspapers--although the Chronicle had a lot better writers in that sense. It was already more professional. The Bee and the Journal had a good deal of editorial integrity and objectivity and independence. But they were both fairly pedestrian.

Although there were some good--the Journal, especially, had a few outstanding people. If you're going to talk about the papers whose editorial judgments and the integrity of their reporting in terms of serving the community--really come off--the

Champion: Journal, I would say, was the best; the Bee second, and the Chronicle third. I think the Journal during the time I worked there was widely considered to be one of the ten best papers in the country--it may still be.

Fry: It's kind of ironic that the one you spent the longest amount of time on is the one that, seemingly, you would have lasted the shortest amount on--which is the Chronicle--because it was, first of all, going through a lot of changes, and second of all, your point of view was not at all its point of view, editorially.

Champion: We always laugh about it because it went through--when I first came to the staff of the Chronicle--it was making an attempt to be more than that reactionary kind of a newspaper. But within a year after I got there, Paul Smith (who was the guy who was making the effort, was plowing a lot of the Chronicle company resources, including the money they were making off the television station, back into the newspaper) left, got dropped, and they cut back the staff greatly and they went into a much more pedestrain period.

The people who kept on working for the Chronicle did it for a variety of reasons. San Francisco being one of them. Another being that if you did your work for the Chronicle, you could do a lot of other things that were interesting, as I did. You got to write for The Reporter, some TV thing, or work on your own project.

Most of the people with some capacity had that kind of other thing going, so the Chronicle was a kind of a base. As a matter of fact, people would leave for a year and come back--they'd go off and do something else they wanted to do.

The Chronicle, in order to retain that kind of people, had a very open policy about all of that. Whereas both the Bee and the Journal were places where they couldn't conceive that anybody would want to work any place else or do anything else. So, as working environment, they were much less happy than the Chronicle. But the Chronicle was becoming a worse and worse newspaper during that time. They were cutting back more on staff. They would never pay to do any--some of the stories I did for the Chronicle, I was able to do only because The Reporter or somebody else would pick up the expense money. I would do the stuff for them and do it for the Chronicle.

Fry: And then run another story on the same research.

Champion: Yes. So there was a lot of that. But, by the time I left, the Chronicle's circulation was way down. It was at a very low ebb and we always kid about this. Just as soon as I left, it started

Champion: a financial comeback--its circulation went way up. [laughter]
That's only half my fault. The other reason was that Herb Caen
came back to the paper the same time I left.

Fry: I didn't realize he'd been off.

Champion: Oh yes, he'd been over working for the Examiner. You know, Herb
carries 40 or 50 thousand circulation in his back pocket wherever
he works.

Fry: Art Hoppe was on there when you were there, wasn't he?

Champion: He and I sat beside each other for six years. Art and I always
have been very close friends. I still see Art whenever I'm back
there or he's here.

III THE 1962 GUBERNATORIAL ELECTION

Pat Brown's Re-Election Campaign; Champion's Role

- Fry: Well, onward and upward to 1962. We'll just skip a few years here. This was the Pat Brown versus Richard Nixon campaign for Pat's reelection as governor. The early polls showed that Nixon was leading and I guess we need to know your position in the campaign next.
- Champion: Yes. I'm probably going to have to break off.
[brief interruption]
- Fry: Why don't you describe your position in that campaign.
- Champion: As it finally evolved, I never had a formal title in that campaign. My role was as the governor's representative in meeting with the-- Bradley was the campaign manager, Tom Lynch was the--I forget what title--I think he may have been the campaign chairman--I think Lynch may have been the campaign chairman. Bradley was the campaign manager.
- Fry: And in the primary, I have Tom Lynch and George Miller, Jr., as the northern California chairman.
- Champion: Yes.
- Fry: And Dan Campbell was state chairman. The memos that I looked at in the papers are usually from Tom Saunders to Mrs. Sykes, Mr. Burby, Haas, Jordan, Lerner, Ringer, Mesplé, Sheehan and Bradley.
- Champion: Whose memos?
- Fry: These are the memos that are in the Pat Brown papers in The Bancroft Library that I could find on the '62 campaign.
- Champion: In the primary?

Fry: Yes. And it may have been just one section.

Champion: That sounds like speeches and press.

Fry: And press. Yes.

Champion: Who all was there?

Fry: Tom Saunders to Mrs. Sykes, Mr. Burby, Haas--

Champion: He was the northern California campaign manager.

Fry: --Jordan, Lerner, Ringer, Mesplé, Sheehan, and Bradley.

Champion: All of those were press people.

Fry: North and South.

Champion: Let me tell you what I remember about that, and then you can come back to the specifics.

Fry: I'm interested to see what you feel are the important events.

Champion: Basically, there were--Tom Lynch was an old friend of the Governor's. Therefore, in party matters and with longtime associates and friends of the Governor, Tom was sort of the troubleshooter in the campaign. If somebody was dissatisfied, or someone said the campaign wasn't going well for this reason or that, that was Tom's role.

My role was--I was in the government and the things that went on in the government that related to political issues and so on, that was my special area of responsibility. I kept on working in the government; so I was Sacramento-based, most of the time, and I linked to the campaign activity.

Now, Bradley had the responsibility for the conventional campaign functions. Meetings, organization, so on. But because I was in the government, I passed on all policy positions, statements by the Governor, other things. Because they all have repercussions both ways, both governmental and political.

Burby was in charge of the press for the campaign. Haas and Ringer were in southern California and some of those other people were in northern California. You know all the names

In the primary, I was relatively less active. I shouldn't say active, but I mean I was most directly involved in the campaign strategy. But after the primary was over, I spent much more time working with the campaign.

Champion: I did the basic strategy papers--what posture we should be in, where we should be on the issues, where we should be on Nixon and so on.

As Pat said, that's the thing--my role was sort of the quarterback role on the issues of the campaign, with Don the guy who executed, and Tom Lynch being the guy who had the trouble-shooting and patching up personal--other kinds of things.

The three of us met frequently just to make sure that all of those things were in concert.

Fry: Was this a--

Champion: As in anything, there's an enormous amount of activity and organization put together very quickly, which means that it's sloppy and the responsibilities and missions overlap. Some people come in and out briefly, or for a period of time.

Fred Dutton did some memos from Washington, but he was not active in the campaign. He came back once or twice to give advice. So there were a lot of other actors in the thing. But, basically, that was built around that kind of structure.

Brown and Unruh Contacts with the White House

Fry: I have a note about a visit to Kennedy at the White House early, and Kennedy saying that he thought Nixon could be taken out in this election--could be beaten. Are you familiar at all with any connection with the White House?

Champion: No, I did not visit the White House. We did have conversations with the President and with others, at various times. We had one rather protracted one with Bobby, because we had adopted basically a media campaign strategy. That is, there are certain places in California where you can do a little work with organization but, basically, it's a media state. It's your public posture and how you relate to the public through press, television--that is the most important factor.

A lot of the people who were attached to Kennedy--their experience was eastern, where the population is more fixed, where you can work intensively in cities for registration and follow through. There are some places in California where that's true. But, basically, that is not the way you win elections in California.

Champion: And they kept pressing for more active organizational effort, and to put some money into it.

Fry: The eastern precinct organization.

Champion: That is right. Bill Green would be sent out and a fellow by the name of Chuck Roach, and others, all of whom were either attached to the Democratic National Committee or the White House. The President said early he really wanted to beat Nixon.

I should go back earlier to explain something. In the summer of '61, Pat had had some problems. The Chessman problem was probably the most pressing, but there were a variety of others. An early poll commissioned by the Governor with Lou Harris, showed him, in a prospective race with Nixon, trailing him by twenty to twenty-five points.

We had conversations, both in California and in Washington, about that. So the Governor himself posed the question: should he run? We all advised him we thought he should, that that was an artificial kind of thing, and it could be dealt with over time. After some agonizing over it, the Governor agreed.

Fry: Nixon, for a while, said he was not going to run. Did you all believe him?

Champion: No. Anyway, you test those things to see. We had to figure that Nixon was doing the same thing, and was seeing that he would win by a substantial margin. But we really thought that was tactical; that he would run. That was the likelihood and that was the thing you really had to be the most concerned about. He certainly was the most formidable Republican around.

The reason I go back to that--after we sort of made the decision and talked about the decision--the Governor had decided he was going to run--we did talk to the Kennedys about it. They agreed, and they thought it was important. Early on, they were not disposed to make a great effort on the Governor's behalf--they were still wondering whether or not he would win and so on.

Kennedy was never a great fan of Brown's. He tended to think that he was not--in my view, of course--not to give him credit for his capacity. He was not a person like Kennedy. We didn't think Kennedy understood Pat.

So that, while relations were cordial enough and they wanted him to win, they seemed to have doubts that he could do it, or that the people around him could beat Nixon. It was hard for them to believe somebody else could do it--that's standard, looking down on somebody else's different operation. So there was this

Champion: kind of distance. From then on, as they got increasingly interested, as they got increasingly convinced that Brown did have a chance to beat Nixon, they did offer more help.

The President came out and he dedicated a dam and some of those kinds of things. But they were very chary about letters of support or big, open support.

As we began to get down into September--and this is the time I was talking about with Bobby [Kennedy]--they began to press again for an organizational campaign in Los Angeles.

Fry: This was September of '62.

Champion: Yes. They were convinced that they should do this, in part by Jess Unruh. And Jess wanted to do this. We said we didn't want to spend our campaign money on it. So the President said, well--or rather his representative--in this case, Bobby--"If the President comes out there for a testimonial dinner, will you use the money from that to finance the operation in Los Angeles? The get-out-the-vote kind of effort, organized by Unruh."

Fry: The precinct workers.

Champion: We said, "Sure. If he'll do that. We don't want to devote our present resources, but we'd like to have the President in the state. If you'll do that, we'll take the resulting money and let Unruh use it to organize that kind of effort in Los Angeles." Unruh also wanted to do it because it would strength him politically. It would help him build more of a political base in Los Angeles--which we were not very interested in doing, but if it was a side effort that would help him, that was fine. Besides, we wanted the President in the state. So we made that agreement.

Fry: Unruh and Pat Brown were on good terms at this time?

Champion: Not very, no. Unruh was on good terms with Kennedy.

Fry: Yes.

Champion: He'd gotten himself a position where Kennedy really regarded him as his key political agent in the state that worked for him. So, many people around Kennedy were much closer to Unruh; particularly Ken O'Donnell, and to some extent, Larry O'Brien, were closer to Unruh than to Brown. They looked on him as being more the kind of political figure they understood in terms of their eastern experience.

At any rate, that agreement was made. Then, because of the Cuban missile crisis, the President was unable to come to California. All the commitments had been made for this other

Champion: campaign, which cost something like a hundred thousand dollars, or thereabouts. So we ended up having to pay that hundred thousand dollars to Unruh to do that operation. The best estimate we could figure as to what it was worth to us, was about ten or twelve thousand votes. We won by something like 300 thousand votes.

What galled us then was that Unruh came back to Washington and he and Bobby Kennedy said that's what won the campaign for us. It irritated the hell out of Pat and the others. But that was one of the sidelights of that.

But Kennedy was very interested and he genuinely wanted Brown to win, but we had that basic disagreement on tactics. We stuck to our guns and we think we were right about what won the campaign, but we did have that one side episode which was the Kennedy contribution.

Fry: Where was Fred Dutton in all of this? In the White House?

Champion: Yes. He sided with the Unruh plan. He thought it was a good idea to do, although he did not--he just said it was a good insurance policy, which, in fact, if you could afford it, it was. But first things first.

Fry: Yes, if you've got the money.

I wondered how that happened. I've read--I don't know whether it was true or not--that Unruh paid a certain amount of money to each precinct worker for doing this.

Champion: That was part of the plan.

Fry: In getting out the votes.

Champion: We got some criticism for it during the campaign.

California Democratic Council

Fry: That's so. The other thing that I'm curious about on your coordination was what you did with the CDC, the California Democratic Council. That had a lot of manpower for you, but also were a kind of political albatross because they took more extreme positions on issues than Pat Brown did.

Champion: But that wasn't a big problem. I had worked with the CDC. The people the CDC listened to--they had a pretty good relationship with Pat. They had a terrible relationship with Unruh and the more conservative elements of the party. And in convention, they tended to be more liberal than Brown, or to do things that would make him attackable, so that whenever we could, we participated in the CDC. As a matter of fact, I used to go to the meetings and when the resolutions would be proposed that we thought were damaging or not helpful, we would sit in the back room of the convention, look at the resolutions, and if we saw some that we thought were damaging or--we would get people in the CDC who were working with Brown, to lead the fight against them on the floor.

I don't remember whether it was in that campaign year--I still remember on one occasion, however, where some of those troublemakers didn't get really introduced until after midnight the night before the final Sunday morning at which they acted on everything. Some of the people who could help us beat those had left, so we had to run them down all over and get them back by morning--Alan Cranston was one--he'd been head of the CDC--and he would assist. Who were some of the other people to whom the CDC would traditionally listen--?

Fry: Tom Saunders?

Champion: Dick Richards. No, Tom was more of a political mechanic. I mean, he had good contacts. I'm talking about people who could get up and make a speech and people would listen to them by virtue of their position or their public support of them. Dick Richards was one who'd always have a lot of support.

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Fry: During that campaign, the CDC positions did not--

Champion: Did not really embarrass the Governor.

Fry: Here's a note for you.

[tape turned off briefly]

Fry: You were just telling about the Unruh business and Kennedy couldn't come out, and then you were talking about the--

Champion: I explained what happened in Los Angeles. We had to pay for that. But, anyway, we won the election, which is the important thing.

Nixon Attacks

Fry: On the policy--what comes across when you read about this is that there was an awful lot of Red-baiting that went on from Nixon. Was that your perception?

Champion: Part of it was, of course, that had been his reputation. We were surprised that he reawakened those old memories by going back. But, you know, people do tend to act on the basis of what's been successful. Very early in the campaign, he did--there was some case of an old loyalty business or something at some state college.

He attacked and he attacked and he attacked on the grounds of being soft like that. He didn't really go after Brown directly on that because Brown was not very assailable on that subject in the sense of having any kind of a radical history, and so on. It was the old, he doesn't recognize what the real threat is, kind of thing. Then, late in the campaign, there were two things--and I think both times that it became overt (once Nixon and once not Nixon, but clearly an effort of the Nixon campaign) it severely damaged Nixon.

Nixon went into the campaign widely quoted. Everybody in politics knows everybody else--you know what the things are--and what was privately reported to us was that he wasn't worried about Brown because he knew Brown would make a couple of big mistakes in the campaign, and that Nixon would win.

The interesting thing to us was that, in our view, Pat made almost no major mistakes in the campaign. He did some things differently than his advice, but advisors are always very nervous and agitated and worried, and they regard things as mistakes that frequently are not important.

A couple of times, Pat made statements that Nixon tried to exploit as mistakes--he would say, in an offhand thing, Nixon has no heart, or something, or Nixon doesn't really care about the people, or something like that. Nixon would come back lamely with now terribly aggrieved he was.

We felt, however, that Nixon trying to use the issue of communism was one of the most serious mistakes he made in the campaign and that it really cost him. Early in the campaign, there was this episode about some professor--I think it was a faculty member or something--

Fry: There were a number of people who spoke on campuses in the recent past at that time, who had taken the fifth amendment before HUAC, or something like that.

Champion: They shouldn't be permitted, or something like that.

Fry: That people who took the fifth amendment like that shouldn't be permitted to speak on campuses, and he assailed this.

Champion: That was once. But at the end of the campaign, there was a pamphlet that was put out in Los Angeles, in which it was a trick-cropped picture, showing Pat bowing to some sort of Buddhist, or something like that.

Fry: The California Dynasty of Communism, and Pat is bowing to Krushchev, I think.

Champion: That's right. They'd taken a picture in which Pat was doing a formal meeting to a--

Fry: Somewhere I've seen the picture it came from. I think it was a little girl--the March of Dimes girl or something--and Pat was bending over to greet her.

Champion: You may be right. My memory was that it was a Buddhist who'd been introduced to Pat on some formal occasion, so that there was that sort of bowing. Instead, it was Krushchev that they had put in there.

We exploited that. We got copies out of Nixon headquarters and so on that tie it to the Nixon campaign. I think that was damaging.

Fry: How did you exploit that? Did you use it on television?

Champion: We did some spots on it. Gene Wyman had a press conference about it, told about it, and it was on TV.

Fry: Well, you also had the phony Committee for the Preservation of the Democratic Party, or something like that.

Champion: That's the one that we took to court and ultimately won a verdict on. Haldeman was the prime agent in that. They deliberately designed a kind of formal title. They pretended that they represented some faction of the Democratic party that was--but it was clearly a Republican enterprise.

Fry: That was coming up from Nixon.

The interesting thing in the papers on that--on the depositions--is that apparently Nixon did really okay this mailing of the cards and what was on them, personally.

Brown Strategies; the Hughes Loan Issue

Fry: What were your strategies then, both for playing up Pat Brown in a positive way and also, at the same time, for attacking Nixon?

Champion: I wish I had—I wrote during the campaign, and it may be in Brown's papers--it may be in my papers--I wrote a couple of sort of posture statements. You know, what kind of picture should we, in effect, be presenting to the public of Nixon and what kind of a picture should we expect to have come out of the campaign as to what Brown should look like vis-a-vis Nixon.

I have no way of remembering all of that. You may be able to find it--I don't know whether those are the papers I've got, or the papers that are in the Bancroft--I suspect they're the ones that are in the basement of my house.

Fry: I didn't see them in yours, but--

Champion: I kept that kind of stuff--most of it, I haven't sent it off yet. I've been meaning to do it and I haven't done it, because I want to look through it before I do and I never get time to look through it. You know what it's like.

Fry: Yes.

Champion: One of the strong elements of the campaign was to make it clear that Nixon was doing this to position himself for another run for the presidency. Basically, we wanted to show that he didn't understand modern California and the issues that confronted the governor and that all you were going to do would be to elect a guy who, two years hence, was going to run for president again--that whatever strengths he had, they were not the strengths of the domestic area of a growing, developing state like California.

Then we took the water plan, and the building of the university, and the other things that Brown had been doing, to emphasize Brown as somebody who understood the state issues and the state problems--and Nixon as a sort of a visiting figure, partly carpetbagger, but more the double-park in front of the state house line.

If you look through the campaign spots that were done, you can see that we were showing what Brown was trying to do to build the state and then we also did go substantially on Nixon being somebody you couldn't really trust. Tricky Dick.

Champion: One of the closest we came to doing something--we tried to do it in a positive way, but with a sort of reverse--was the billboard for Brown: "Vote for Edmund G. Brown, a man you can trust." The implication being that you can't trust Nixon--that kind of media approach.

Fry: Also you had a sort of ready-made issue on Nixon because the year before, the business of the Hughes loan had come out in a column.

Champion: In every campaign, there is one thing that you pursue, because you're just sure if you could nail that down, that that would be it. We were all convinced, as I am convinced to this day, that the Hughes loan was real, that it was corrupt, that it was something that was not otherwise explicable in any other terms than that it was an attempt to influence Richard Nixon, or that it was a use by Richard Nixon of his office and its influence to help members of his family in a corrupt way.

There were pieces of evidence all over the place. This guy could tell us the real story, or that. We spent more time and energy in that campaign trying to get our hands on conclusive evidence. We were not afraid to raise it because we felt it was well in the public domain. But we never felt that we really nailed it down in any sort of evidentiary terms. We were just working endlessly at trying to establish the fact of that loan and the circumstances around it.

It was kind of a failure, but it crops up through the campaign and the debate. Nixon's response is sort of a Checkers' response. You know, what a terrible thing to raise; we should rise above it.

Dick Tuck used it in some of his pranks. In Nixon's Chinatown parade, there were all these signs and nobody knew that in Chinese it said, "What about the Hughes loan?" It recurrently was there, and as a matter of fact, Tuck sent me a--he was in Rome. After the election was over, he sent me a picture taken of him sitting in a toga in Rome with a sign in Italian saying, "What about the Hughes loan?" [laughter]

Fry: How was it to work with Tuck? [laughs]

Champion: He was fun. He's somebody you can take at substantial intervals. He tends to wear a joke out. But he was a genius and he knew some of the political tricks. For instance, if you have a number of candidates speaking in a hall--I remember in the '60 primary campaign, when all the presidential candidates were coming to California to speak at the CDC--he would manipulate the music and the crowd and the timing so the candidates we liked really got it. It would drop down for the others and then there would be this big enthusiasm and crescendo for Kennedy and Stevenson.

Champion: But anyway, that--

Fry: All right. Still on--

Champion: And he was only intermittently a part of that campaign. He'd been an integral part of the first campaign in 1958. He'd been an integral part of that first campaign, of the Dutton campaign. He was sort of in and out of that Dutton campaign.

Fry: On Nixon. There was also the restricted covenant question. Did you use that?

Champion: Yes, that was always a side issue. It got used in southern California. I question whether it was of any real consequence. That has been a long-standing issue and a matter of substantial political concern among liberal groups, particularly Jewish groups and, to some extent, the Japanese in California.

There wasn't any question about the nature of the thing. It was negative kind of campaigning with some groups we thought for whom Nixon might otherwise have some appeal. I don't know-- I don't think it was important.

Debates and Challenges

Fry: What did you think about a debate? Did you think that was a good idea for Pat Brown to enter into a debate with Richard Nixon?

Champion: We had mixed feelings about it, but we did think it was important that there be some kind of a debate. Really the concern was more over the format. Those were the days when everybody debated endlessly about the formats of debate. There were lots of negotiations and circumstances--

Fry: The papers are full of the negotiations. I wondered--I've got a copy--

Champion: Newspapers are not good at describing issues or programs; but that kind of thing, they love to do.

Fry: I mean the Pat Brown papers in The Bancroft [laughter]. I have a copy of the debate, and it's not called a debate; it's called a Nixon-Brown discussion at National Conference of UPI editors and publishers, October 1, 1962, at the Farimont Hotel. I gather that maybe those negotiations had kind of broken down and that they called it a discussion instead of a debate for some reason.

Champion: That may have been where the thing came out. The guy who did most of the negotiating for Brown was Warren Christopher.

Fry: Yes. He was working with Robert what's-his-name, on Nixon's side.

Champion: He's the other member of the old Brown group who's now in this administration--the number two man over in the State Department.

Fry: It looks like a California cabal.

Champion: Are you interviewing Christopher?

Fry: Yes, except right now I can't compete with the Panama Canal Treaty.

Champion: I can understand. I was trying to remember who the--editors and publishers, that's right.

Fry: I guess that way, you did get questions asked by newspaper people, which seemed to be what you wanted but what Nixon didn't want.

Champion: Right. Nixon wanted to just get into a free-form thing. I think, essentially, our feeling was that Brown tended to be--well, these are very tricky. Pat is a nicer--much nicer--man than Richard Nixon, and is less inclined to be ruthless. We were afraid that man to man, that Pat would let Nixon get away with things, and he'd have a hard time sort of just because he's not rude. He would not seek the ultimate advantage and that Nixon would, and, therefore, a more structured thing would be fairer for the Governor.

I don't remember all the details, but I think that was our sense--that if you had the newspaper people asking the questions, and there was some kind of exchange.

Fry: I think the idea was that neither one would ask questions of the other.

Champion: Yes.

Fry: But Nixon did break over there and ask a question of Pat Brown. And there were some embarrassing ones in that transcript there. How did you think it came out? Did you think it helped Pat Brown?

Champion: I think we thought it was a draw. The other question, of course, in the debate, how do people react? Do they react in terms of discussion issues or do they react to people personally?

Champion: We thought that Pat appeared to be much the nicer person. The question of win debater's points, probably Nixon is a little bit more of a debater than Brown is. Maybe on points of argument, Nixon did a little better. We thought it was close to a draw and that it did not have any major influence one way or the other on the campaign.

If anything, it's when people--they expected Nixon to be the experienced debater and, therefore, I think there was an expectation that Nixon would look better, vis-a-vis Brown, than he did. So much of this is not what happened, but what the event looked like as compared to the anticipation. It's like the New Hampshire primary. If you anticipate somebody will get fifty-five percent of the vote and he gets fifty-three, he didn't do very well. If you expected him to get forty, and he gets forty-two, even though he doesn't win a majority of the vote, then he did well. There's a lot of that kind of gamesmanship beyond the event itself.

Fry: Right. Losing can be winning.

Also, here's one of the few things I found in the Governor's files in which you directly commented on something in the campaign; it looks like you were preparing this, maybe for a press release.

It's your "response to Richard Nixon's ten-point program that he offered to the Commonwealth Club today." Let me give the date--it's May 18, 1962. So that was still in the primary.

[Pause. Champion reads]

Champion: Sort of standard political give and take.

Fry: Is that typical, would you say?

Champion: I didn't realize that I had entered directly into the thing, but I guess I did a couple of times.

Fry: I don't know that that ever saw the light of day, outside.

Champion: I don't either.

Fry: That's what I was going to ask you, if it was used.

Champion: I just don't know. But it's typical, it's a good sampling. For instance, one of our themes was that Nixon didn't care enough about people. That was another one of the main themes we used with Brown--that he cares. There were a couple of other times.

Champion: Nixon, I remember--one of his ads attacked the quality of state officials, and he used me as a great example--you know, a transient newspaperman serving as director of Finance. I thought it was the only truthful thing he said in the whole campaign.

Fry: Yes, that was one of his tacks--was to say that Pat Brown's staff was not qualified. I was amused to find that a footnote in one of the articles gave you as one of the people they had attacked as not being qualified.

The other paper that I selected to show you here is a list of questions that would be good plant questions wherever Nixon was speaking. But Nixon also had those telethons where people called in questions to him.

Champion: Yes, so did Brown. That was one of those little episodes that irritated us greatly.

We arranged those telethons for Brown, too, and he did speak directly and there was no screening. And then Reston wrote a column in which he said that Brown was having these questions screened. We called up and said, "How could you say it? It just simply isn't true. What is the evidence? Where does that come from." He said, "Herb Klein told me and Herb Klein has never told me an untruth."

Fry: Herb Klein--was that the Klein that was Nixon's PR man?

Champion: Yes, that was Nixon's PR man.

Now I'm not sure--it may have been that Herb really thought that was the case, that we were screening questions and giving Pat the answers. We weren't at all. Klein wasn't given to--he was certainly given to his view of things, but not to telling people deliberate lies. Yet that came forth from first Klein and then Reston as an absolute statement of fact and it just was totally untrue. Maybe Klein just didn't believe Pat could be as good as he was. But Pat was terrific in that campaign. He knew what he was talking about--you could tell he did.

Fry: Reston also wrote an article and said Pat couldn't win--that Nixon was bound to win. [laughing] He wasn't your friend in the campaign.

Champion: No, I think he really felt that way. You have to remember when people from Washington come out to state campaigns, they tend to be more impressed by the people that they know. They think the national thing is the big time and that we're dealing out here

Champion: with relatively more provincial people, and so they tend to give more credibility to assertions by people who want--a little bit of the boys in the bus stuff, which even Reston is not totally above.

We usually had somebody at every Nixon appearance taping what he said, so that we could call back and ask awkward questions. The questions we were trying to get were questions which would reveal Nixon's lack of information about--

Fry: About state government?

Champion: The state government. He really was relatively ignorant, and that was fairly successful. It would be to show, in various appearances, he didn't know very much.

Interestingly enough, we tried to do the same thing with Reagan and Reagan had done a much better job of briefing himself. It was much less successful in the Reagan campaign than it was in the Nixon campaign. Reagan had really briefed himself on a lot of issues. He still said what we thought were nutty things and nutty answers, but he was ready with answers, so he sounded knowledgeable. On occasion, Nixon didn't.

In effect, his attitude was "Why should I know anything about a dam in Yuba county?" He didn't quite say that, but that's sort of the implication: Why are you asking a man who's argued with Krushchev in the kitchen about a dam in Yuba county. Well, you know, that's one of the things that state races are about.

We did elicit that kind of response from him with these questions.

Democratic Party Relationships

Fry: How about your relationships with Roger Kent and the Democratic party and working all of this out? I don't quite know what the connection is.

Champion: Brown's relationships with the northern Democratic party were always excellent. Roger Kent did everything we could have asked--there would be Libby Gatov too--the northern Democratic party was always--well, there was a little bit of CDC tension occasionally. But basically, at that point, it was not yet--Phil Burton was important in San Francisco--but it was basically an older, somewhat more conservative group of people. It was moderately liberal, but not quite as shrill as it would occasionally get in the CDC.

Fry: You mean the Burton group, is that what you're talking about?

Champion: No, I'm talking about Roger Kent and the party.

But we also got along well with Burton and his people, so we really didn't have any major party problems in the North except fund-raising problems or little petty jealousy problems. You always have those in a campaign.

The real problem was always in the South where there was the Unruh-Warschaw faction to deal with. They were always pressing for advantage. There we did have problems back and forth. So our organizational party problems were largely in the South.

Fry: Was that one of the problems that Tom Lynch would trouble-shoot on?

Champion: Yes—both in the North and in the South. He was well known in the South, even though he was northern. And in the North, he knew everybody, so that if one fund-raiser complained—one major fund-raiser complained he'd been slighted or that he didn't like something that was happening and he wasn't going to contribute any more to the campaign. Tom could go and soothe him down, keep him happy.

Fry: I'll be talking with him too, so I'll get him to tell something about this.

Champion: He also, you know, was sort of the elder statesman of the campaign. He'd been around a long time. Everybody knew that he was close to the Governor, so, next to speaking to the Governor on sort of party matters, they had a great sense of confidence that their message was getting through. On governmental questions, they usually spoke to me, in the sense that I was most closely in touch with what was going on in the government.

Tom and I would sometimes pass problems back and forth to deal with different people.

Earl Warren and Other Republican Support for Brown

Fry: Earl Warren, Jr., was active in this campaign--

Champion: Yes, he was.

Fry: --and some other. Was he active as a Republican or as a Democrat?

Champion: During the campaign, he was active as a Republican. In fact, he was chairman of Republicans to Elect Brown.

Fry: I thought he was a Democrat.

Champion: No, he became a Democrat afterwards.

Fry: That was convenient. [laughs]

Champion: Yes, that was--that was.

Fry: And Butch Powers?

Champion: Warren was sort of a proxy for his father.

Fry: His father came out and made that speech at the dedication of the Oakland courthouse, or something, in which he defended Pat Brown against Nixon's charges that crime was rampant in California. Warren said that from his vantage point, which was the Supreme Court at the time, that criminal justice and crime prevention was better in California than almost anywhere else. I wondered if you knew anything about that.

Champion: He frequently--

Fry: You didn't have to push any buttons for that--it just happened?

Champion: Brown and Warren were closer personal friends than people knew. Brown was Warren's attorney general, remember, and after some initial stiffness, because of--

Fry: Crime commission.

Champion: Yes. They became very good, solid friends.

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Champion: Oh yes, Warren really just detested Nixon, and he also liked Brown very much. Every year, he would come out and they would go duck hunting--Brown and he would go duck hunting together--and then they would hold what became an almost kind of state-of-the-state press conference, when they would bring in the ducks and their pictures would be taken together, which didn't hurt Pat with liberal Republicans and so on.

He would describe what great shape he thought the state was in and how well the economy was prospering. It was very deliberate. It was done for political effect.

Champion: After the election was over, Pat and I were back in Washington and he said, "Come on out. I'm going to have dinner with Earl Warren. Why don't you come along?" And I said, "Fine," so we went to some lawyers' club here. I'd never seen them before in this--

Fry: Together?

Champion: They were two happy, old buddies who'd just scored one of the great victories of their lives, and every once in a while they would lift the glass and say, "To What's-his-name, wherever he is tonight." [laughter] And would laugh and pour it down.

Fry: Those were heady days when everyone thought Nixon was dead for sure.

Champion: That's right. They thought he was buried. We all thought we'd buried him. They loved that and they were having a good time. I finally went off to see some friends, but they were still sitting there, laughing and talking all by themselves, celebrating what they clearly regarded as a great joint victory. [laughter]

Fry: That's a marvelous insight.

You also had Butch Powers and Robert Eaton for your Republican support. Just tell me how important this Republican support was.

Champion: It was symbolically important. Joe Shell's campaign against Nixon in the primary was important. Any time--the great question for a long time was who could come united into the final campaign just as we were in great trouble.

Fry: You mean against Brown.

Champion: Either way. In the Nixon thing, Brown came through the primary with very little problem, but Nixon had to contend with an unexpectedly large vote for Shell, which tended to weaken him and to make some elements of the party resentful of him and not fully supportive.

Brown had the same problem against Reagan in '66. When Yorty ran in the primary and got an unexpectedly large vote against him, which was really sort of a penalty of eight years in office and a lot of carping, particularly in southern California. That was that Shell showing--and then they continued to have some Republicans indicating that they preferred Brown. That's been a standard technique in California for a long time. So you always look for somebody.

Champion: I think Earl Warren, Jr., was clearly the most important because of the name and its symbolism for old Warren Republicans, and at that time, the memory of Warren.

But Eaton had been closely associated with Goodie Knight, who did not love Nixon either, and--who's the other one?

Fry: Butch Powers.

Champion: Butch Powers! Well, he'd been a lieutenant governor. He was in the Brown administration for a period of time, as director of Professional and Vocational Standards, or something.

Fry: I didn't realize that.

Champion: Yes. There were some Republicans among Brown's department heads as well. He did not go across the board with Democrats. He had some Warren Republicans.

Evaluation of Richard Nixon's Image

Fry: I think you had some help from two outside events--one was the fact that the World Series came to California. The article that I read said that this pretty much destroyed Nixon's planned timing, which was to peak kind of late--in late September and October--and then really wham it. But when the World Series came, there was almost a press blackout on the political campaign.

Champion: I personally think that's junk. There's always a lot of talk; the press has to have something to write about and so on. There may have been something. Timing is a serious advantage. Actually, I thought Nixon never had any momentum. If he had any momentum, it was a slight downtrail. The longer the campaign went on, the more apparent it became that he didn't have anything fresh.

We kept waiting for him to say something. I don't care if it was before the Series or after the Series, he never really said anything. It was all junk. He never offered any major programs, he never produced any major scandal, he never had a campaign, which may have been one of the reasons that he fell into the old communist thing for a little bit. Basically, he thought Brown was unpopular and all he needed to do was to offer himself and he'd win.

Brown got steadily stronger in terms of--in some ways, it was like; in other ways, it was unlike--in one way, at least, it was like Rockefeller in New York, who would always start out being

Champion: behind a Democrat and then, as he got on TV and showed the things that he'd done and so on--of course, he had vastly more money to spend doing it--then he would come ahead of the guy who constantly expected to beat him.

Brown's campaign was like this--was on a much lesser scale, but he gradually consolidated all of the Democrats behind him and there was more of a good public image that he was, indeed, a man you could trust, or a man who cared, and that he had these achievements: the water plan, the expansion of the university, and so on. It presented an integrated, solid picture of a guy who, after all, was the nominee of the Democratic party, which had a majority of the votes in the state.

Nixon didn't offer any very good reasons to abandon that. He was never able to--instead of reawakening the earlier concerns about Brown as being a weak governor or as not doing things properly, he never managed to touch those themes.

The campaign, to the extent that it was a campaign, didn't really revolve around Brown. It revolved around Nixon. That was one of the things that we had always said, that you make Nixon the issue. As a matter of fact, that's why I was critical of all the subsequent Nixon campaigns, because Nixon--enough discussion about him usually led to negative results. The McGovern people let other--you know, McGovern became the issue. The way you beat Nixon is to have Nixon the issue, because I think more people will be against him than for him. We substantially succeeded in that.

As a matter of fact, we kept worrying. You know, this guy's got to have something better to say than anything that he's said. Even on election eve, after the--the second event that we talked about was the Cuban missile crisis, which put the campaign on the back pages.

But Nixon was not going anywhere before the Cuban missile crisis. The speech he made on that subject--I think if anything, hurt him rather than helped him--it certainly didn't do him any good. Our polls didn't show any difference before or after and nothing he said--

Fry: Some polls did.

Champion: Our polls didn't show. It just said it was stable, as I recall.

Fry: It moved from even-stein to a four-point spread in favor of Brown two weeks later.

Champion: Were those the ones in the newspaper?

Fry: It was the California Poll.*

Champion: Because we had a poll, as I recall--I'm almost sure we had a poll before the missile crisis that showed Brown ahead. We had Brown ahead from the end of September through the rest of the campaign, and then just slightly more at the end than--but, really there wasn't that kind of change during that time.

Fry: Are you saying that you think that Brown won because people voted more against Nixon than for Brown?

Champion: I think the change was in the voters who were against Brown before they saw him in a campaign against Nixon. As they looked at the picture of Nixon and they had this sort of, I think, refurbished notion of Brown, they voted for Brown.

What I do think--there was a substantial rejection of Nixon rather than choice of Brown? Whether you would have the same result with somebody else, I don't know.

Impact of the Chessman Case

Fry: Do you think that the Chessman case, which had happened a year and a half before, that that was still hanging over Brown's head--

Champion: Sure, that hurt.

Fry: --to paint him as an indecisive person and soft and--

Champion: I don't think that Brown was ever able to get totally rid of the Chessman thing because the issue of capital punishment about which Pat just had deep personal feelings--there was nothing political about it--he knew they hurt him politically. But he never varied on that subject. Every time it became a subject of controversy by his putting it before the legislature again, it reminded people of Chessman. So I think that was a longterm political liability for Pat.

Fry: What was your personal position in that? You were in his office at the time?

*Cited in Anderson and Lee, Western Political Quarterly, June, 1963, p. 408-9.

Champion: I'm against capital punishment, but I argued as did everybody-- as a matter of fact, I remember one day in his office, he went around the office--there must have been nine people there-- advisors and members of the staff, and so on. This is after we'd been through the first--

Fry: When he had already tried to commute Chessman's sentence?

Champion: --been through the first episode. He asked people what they thought he ought to do. It was unanimous--there was no way in which Chessman could be, in effect, commuted, because the court would not approve it. There was that special circumstance: somebody has two felony convictions, you have to have approval of the supreme court, so that while Pat could go on giving temporary commutations, he could not--and that after he tried in the legislature (and he tried every way) then, really, he should not intervene further. And I took that position. I argued with him the night that he made the decision, the last temporary reprieve, that he should not intervene.

I lost that argument. He did intervene again. I think that was the time that really cinched that it was going to be a problem for him, longterm.

Jerry kept calling him on the phone and saying he should.

Fry: Pat does credit Jerry with supporting him at least, and helping him make up his mind.

Champion: You never know what really makes him, but Pat was determined, as late as dinner that night--I had dinner with him that night--not to intervene. We'd been looking at people's evidence. Whatever else may be true, Caryl Chessman was guilty as hell, and the law was very clear, and the limits of Pat's ability to do anything about it were very clear.

I don't think there's any question that his instinct was always never to let any--he wanted to get rid of the death penalty. But that law had not been changed and he didn't have any latitude. We didn't think he should go against that.

But he was alone. Maybe Jerry was one other who agreed with him--I think he may have talked to a couple of other people who did. But basically, his staff, his advisors, everybody else thought that that second time, he should not have reprieved Chessman again.

Fry: Politically, you turned out to be right. The other--

Champion: I don't think there was any question but that Pat knew that it was politically going to hurt him, too. That didn't take anybody's judgment politically on that to know that that was going to hurt him.

You should have seen the mail we got--on both sides. When he got through, everybody who was for Chessman was against him and unhappy and miserable. Everybody who was against Chessman wrote--just heaped abuse--just terrible, sick stuff.

Fry: There are boxes and boxes and boxes of Chessman material, which I haven't even looked at yet, but it is sitting there in the Bancroft.

Champion: When that episode was over, I took a three-day vacation in Carmel. My wife and I had planned to do some things. I went to bed and I didn't get up for three days.

Fry: You had also lost a lot of sleep, too.

Champion: I had lost all sleep, then.

Pat Brown as Campaigner

Fry: I had one final question for you. What kind of a campaigner was Pat Brown in this? How would you characterize him and did this religious conviction of his show in other ways too?

Champion: No, I think as a campaigner, Pat came across as a much less--he could be quite an intense person about his personal convictions, but out campaigning, he was a much more conventional sounding and appearing--Pat had the quality--one very good quality--he made people feel good to be around him. He enjoyed it. They enjoyed things because he did. He was a very happy campaigner. Sometimes late at night--

Fry: He loved it.

Champion: --or before he'd start out in the morning, he'd kind of be grouching and not liking it, but once he got into it, he always enjoyed it. He got real strength from it and pleasure out of it.

Fry: On the Cuban missile crisis, were you in on the decision that Pat should drop the campaign and go to Washington and--

Champion: Oh yes, oh yes.

Fry: --be the statesman.

Champion: That's exactly right: just say no politics for the time being. Of course, the guy who really benefited the most from that was Tommy Kuchel, who had hardly been campaigning at all anyway.

Fry: He had the shortest campaign in history.

Champion: Kuchel's view of that campaign--that was another friendly relationship.

Fry: Another Republican, yes.

Champion: As a matter of fact, Pat had one of those classic Freudian slips when he--the day before the election, he made this plane tour around the state, and as he got on the plane at Los Angeles--it was one of the organized sort of campaign press conferences--as he got on the plane, there was a little rally--vote for all these splendid Democrats. He said, "Vote the ticket--Pat Brown for governor, Tommy Kuchel for--I mean--"

Fry: Richard Richards!

Champion: "Richard Richards." [laughter] But everybody there knew that he hoped that Tommy Kuchel would be re-elected, as indeed he was. As a matter of fact, Pat told me, coming back from the Cuban missile thing, he was on the same plane with Kuchel. He asked Tommy how he was doing. He said, "I won't have any trouble as long as I stay away from those two Dicks"--meaning Nixon and Richards. [laughter] Kuchel gave no aid or comfort at all to Nixon.

Fry: Haven't found anybody yet who did, on either side.

Champion: I developed a--a guy, I still occasionally correspond with him. Do you know Pop Small?

Fry: Oh, yes. Our dearest friend for our project is Pop Small.

Champion: Well, he and I still occasionally--we became kind of friends during that time.

Fry: Earl Warren's press secretary and trouble shooter.

Champion: But then later worked for Kuchel.

Fry: Well, I know that you'd like to start your weekend [laughs], so I think you for staying so late.

IV THE 1966 GUBERNATORIAL CAMPAIGN: BROWN v. REAGAN

[Interview 3: July 25, 1978]##

Miscalculation in the Primary; Impact of Rumford Fair Housing Act

Fry: Do you have anything on the top of your mind that you want to say about the 1966 election? Or shall we go into it chronologically?

Champion: I think, basically, that all of us, the Governor included, made a wrong calculation: that George Christopher would be a tougher candidate than Reagan--or at least would be harder to handle. That was made in the traditional context of California politics which was that, as with Warren or Pat or others, somebody who could occupy the center would have liberal Republican support (or if you were a Republican, would have major Democratic support) and that fringe candidates or people who were viewed as fringe candidates, did not do as well; were usually the losers.

Based on Reagan's history--involvement in the Goldwater campaign, basic support which really came from people who had always been very conservative and so on--the dangerous candidate was the guy who might try to take the middle away. That was especially true because of the Governor's activities in 1964 in support of the Rumford Act which, in our view, had cost Salinger the seat in the Senate to George Murphy and was probably, sub rosa, the single most important issue in California.

In my view, and I said it after the campaign at a meeting up at Tahoe, I think, a post mortem on the campaign by a lot of people--Aaron Wildavsky, Gene Lee, and some other people.

Gene wrote that piece, didn't he; the one you sent me?*

*"The 1966 election in California," Totton J. Anderson and Eugene C. Lee, Western Political Quarterly, Vol. 20, June, 1966.

Fry: Yes, it was; Totten Anderson usually wrote these things with Gene.

Champion: I don't know Anderson, but I know Gene well. Comments made at that time may have played into it. I said at that meeting that I thought that was the single most important issue. In the campaign, it wasn't talked about very much, but every poll we took showed very strong racial polarization.

As a matter of fact, to show you the polarity—and I don't remember the exact figures--Don Muchmore, who did quite a lot of polling, both for us and for the L.A. Times and so on, had run a long series on racial attitudes. The most striking thing I saw during all of those polls during that period of time is that whereas 90 percent or more of the blacks in California thought Brown had done and would do more for them, more than 50 percent of the whites interviewed thought Reagan would do more for blacks.

Fry: For blacks?

Champion: Yes! What was good for the black community, in effect, in the view of a lot of whites, was to have somebody like Reagan. I don't recall those exact figures, but they were astounding. You'd have to check those questions back with Don to make sure that I haven't overstated their impact.

But it was something like that. In effect, what it was saying to us was that Pat was almost totally identified with the blacks in the minds of a majority of white Californians, and that they thought that the blacks would be better off with somebody like Reagan.

Fry: The whites?

Champion: The whites thought that the blacks would be better off with somebody like Reagan. It was a very strong expression of racial feeling. The whites thought they knew what was good for blacks and Brown wasn't--leading to all this turmoil, and that there would be a different kind of atmosphere if Reagan were governor.

You can get those figures and look through the stuff, but that's the strong implication involved in that.

Fry: Would there be a copy of those polls in your papers?

Champion: No.

Fry: At any rate there were a lot of whites who felt that way.

Champion: Oh, yes.

Fry: And what did this mean to you?

Champion: The Rumford Housing Act was a classic case. That was the one that made it an issue. During that campaign, as you may recall, Pat made a statement which all of us thought was ill-advised at the time, but it was Pat being honest again--that he thought that a lot of the people who were against the Rumford Housing Act were bigots.

Fry: Oh yes, he said in '64 when it won, "This is a vote for bigotry."

Champion: Yes. Instead of bowing and saying whatever the people have said is the ultimate wisdom, Pat said they can be wrong--in this case, it was a vote for bigotry, which I thought was a fair statement. But [chuckles] you don't win elections on it. So that there was a very strong thing left over from that. To some extent, and I'm getting back to my main theme--that pushed Pat, in the minds of a lot of voters, out of the middle where they were, and further to the left.

Brown's Image as a Liberal

Champion: There got to be a strong impression in the second four years of the Brown administration that he was more liberal than his past image. In fact, he had always been quite liberal, but his long-time associations with Earl Warren, his law enforcement associations, and so on, and his kind of open-mindedness, had given him an image; in lots of ways, that was a fair image.

But on major issues, particularly the major issues that were before California at that time--whether it was on race, or whether it was on social problems, migrant workers, what have you, Pat was really basically quite liberal. He was clearly to the left of the center of the California political spectrum.

For that reason, we thought Christopher was therefore more dangerous in that sense--that he could occupy the middle against Pat and push Pat to being a too liberal Democrat. We didn't think Reagan would be in that position.

Fry: May I ask you a couple more questions on the poll?

Champion: Yes, sure.

Fry: How did you translate this 50 percent of the whites thought Reagan would be better for the blacks?

Champion: That Pat was almost totally identified on all racial issues as being an advocate for the blacks.

Fry: So when you say better for the blacks, from their point of view, you don't mean an advocate for the blacks--that Reagan would be an advocate for the blacks.

Champion: It's clear that white people did not think the best thing for black people was to have a governor who would be an advocate in Brown's image.

Fry: I see.

Champion: That--[pause]

Fry: That the best thing was to keep them in their place?

Champion: Yes, but don't try to be too logical about voters and their attitudes or what they say. If you try to get too logical about it, you'll miss the point there. The point was that they didn't like what Brown was doing on behalf of the blacks and they thought that was bad for everybody including themselves.

When they were asked a question about who would be better for the blacks, they reacted by saying Reagan would be better for the blacks. It was a narrow majority, but it was a high percentage, and it was not being logical--they hadn't sat down and thought through, now, who really is going to help blacks. Blacks just automatically responded, "Brown, of course" in their own interest and their own perception of the thing.

But when you've got divided strong feelings and divided views in an electorate, people lose all sense of nuance or even of perspective. They don't say to themselves, maybe Brown is better for the blacks, but he's not better for us because we're threatened by this in some way. What they say is, he's not good for anybody. In some cases, there may be a conscious decision that really Reagan would be better for blacks because he would be more moderate or more--and that, really, the blacks should not be too encouraged and so on. You might get that from some voters. But for a lot of voters, there's simply an unconscious display, really, of strong racial feeling.

They're not about to say Brown is better for blacks or for anybody, because they just don't want to say anything affirmative, anything positive; they don't like what's going on. They didn't like the Rumford Act--they thought it threatened suburban real estate development or their own property, and so on, and they didn't like it.

Fry: The Supreme Court had just revalidated the Rumford Act, in effect, at this time.

Champion: Yes, I think they did. There were some things that brought it back into the public view.

Fry: The year before the election year.

Champion: Yes, as a matter of fact, I think there were, in August or September--

Fry: December--the Supreme Court acted in '65.

Champion: Later, there was something that brought that whole set of issues back into play in the campaign just as it was getting under way again in the fall of '66--and I don't recall what it was.

I do remember Pat made a couple of statements then, because there was a lot of campaign staff and media discussion at that point about what kind of posture he should take--whether he should try to--Pat, in effect, just said, "Well, you know, I'm clearly on the record and this is where I am."

Fry: He was on the record, yes.

Champion: He didn't try to fudge his support on the Rumford Act. He may have said something like maybe this wasn't exactly the right way to do it--but anyway, what clearly came through out of that discussion was that he really was fundamentally where he'd always been.

Fry: At the state Democratic convention, in the fall of 1966, that was when Pat Brown said that he would name a commission to consider amendments or substitutions to the Rumford Fair Housing Act.

Champion: Right.

Fry: Something I read--I think in the Examiner--said that Pat Brown is now backing away from fair housing and this puts him to the right of center.

Champion: There was a big discussion about that, but my recollection, and it's only my recollection, is that there was an attempt in the campaign to posture him somewhat less as a total, all-out advocate of Rumford. Basically, what came through from Pat's statements was that while he was willing to consider amendments or different ways of going about it that, basically, he was supportive of the principles involved in the act--that he was not going to pull away from them.

Champion: There was the commission thing that was a way to try to fix it up and to ameliorate resentments and fears and so on, but that's as far as he was willing to go.

Political Capital and Program Goals: Watts Riots and Other Social Disorders

Fry: There was a statistic that there were 650 thousand blacks of voting age. I wondered if this was considered a really hefty enough chunk that if you lost, say 10 percent of it--or was this all considered on principle?

Champion: There was never any concern but what Pat would get the black vote. The real question was how much of it would turn out. The black vote tends to vote very low in percentage terms unless there is some special excitement or issue, or something of that kind. So while there was very heavy support for Pat in the black community, the real question was always, could you get a significant percentage of the vote out?

The concerns here, however, were not basically Pat's whole position on the Rumford bill and so on. He knew it was a loser. Pat was one of the few people I knew who would deliberately trade away a political advantage in order to achieve programmatic ends. He says you only--one of the great criticisms of Kennedy was that he would not spend political capital during that time, and Pat would.

Pat would give Jess Unruh an election bill that was to Jess's advantage and not Pat's, if in return he could get Jess's support for a piece of his programmatic legislation. So Pat was always willing to spend political capital to gain governmental ends, and he clearly knew all through the Rumford thing, that that's what he was doing. There was never any question in his mind as to where political advantage lay. It did not lie in being a big all-out proponent of the Rumford thing.

He shared the view of all of us--that Rumford and comparable positions taken by Pierre [Salinger] led to his defeat by George Murphy in '64. Lyndon Johnson did the same thing.

Fry: Also in this whole question of the racial sort of attitudes at the time, is the Watts riots. Let's see, when had they occurred?

Champion: '65--summer of--

Fry: September, '65.

Champion: There were a series of things and all of them hurt us during that campaign because all of them were sort of regarded as a signal of Pat's being too permissive, of people feeling threatened. We had the Watts riots in '65. We had, in '66, some very tough episodes in Oakland and San Francisco--

Fry: Hunters' Point.

Champion: --built around police brutality, or accusations--police shot blacks, and I think that happened in both Oakland and San Francisco, and I think we had a three- or four-day visit there.

We had Stokely Carmichael and others visiting. As a matter of fact, the negative social issues coming together when, I think it was Carmichael--it may have been Rap Brown, but I think it was Carmichael, who came and spoke to a tumultuous rally at UC at Berkeley. A lot of people were scared of the kids--what they regarded as kind of social anarchy, beginning there with the Free Speech Movement, of blacks. I think there was a real reaction, a kind of backlash against so many changes in the society, and all at the same time--racial attitudes, sexual attitudes; kids' attitudes, basically.

There wasn't any question that Reagan played that piano very well. There wasn't anything Pat could do about it. On those issues, Pat was relatively traditional--nobody disliked drugs any more than he did.

Fry: Disliked what?

Champion: Drugs any more than he did. He had a lot of strong law enforcement attitudes and they came into play during that thing. He supported using police to clear the administration building in Berkeley. That was fundamentally his decision to go with the local law enforcement on that subject.

Fry: Were you with him that night? When the decision was made to clear Sproul Hall?

Champion: I'd been with him earlier in the day; I don't think I was with him when he made the final decision. I don't recall. I don't think so. No, I don't think so.

He'd had another conversation with Clark Kerr of some sort--so, no, I was not. At that point, I was director of Finance. I was not--while I still stayed very close to Pat, I had other duties that took me elsewhere, but--

Fry: While we're on these episodes that did affect the election, would you like to tell about the Watts riot? Someone's told me that you were down there in southern California in the office.

Champion: Oh, yes.

Hazards of Incumbency

Champion: Let me finish a point I want to start with before I lose it, then I'll go back to the Watts riots. Now, on the conduct of the campaign, I don't think this stuff ought to be overblown. I think, fundamentally, that the Lee article is right--that Pat never really had very much of a chance after the primary. You know, you had to work at it and you had to keep telling everybody to keep going at it.

A lot of the things that were done and a lot of the attitudes that were taken, were taken not in any conservative sense. They were taken in a sense that unless something sharply changed--unless you could somehow pick up a sudden mood or get a sudden kind of response from people, that we were not going to win--that there was an accumulation over eight years, that there was this underlying racial tension--this underlying social unrest.

The view that I now get generally in California when I visit there and talk to people, that Brown was over-all, though they disagreed with him on this and that, a very good governor, a very effective governor, and they liked that program. That that was almost buried in that last year or two. Sort of like the resurrection of Harry Truman.

Just before 1952, when he didn't run, he was in the same kind of trouble and the same kind of thing would have happened to Truman that happened to Pat.

I'm not even sure that if it had been the other way around, we would have done any better; I think we might have had a lot of trouble with Christopher, too. I think we were wrong in trying to assist in getting Reagan, because Reagan turned out to be a much more formidable opponent than we thought he would be.

But I don't really think it would make any basic difference because of these other characteristics of the thing, but it was lost by the time in the heavy vote for Yorty. Yorty has never been a big vote-getter. He has always been an accumulator of resentments of people who want to vote no, and he gives them lots of reasons to vote no on a whole lot of things.

Champion: The heavy vote he got in the Democratic primary against Pat really showed how much trouble we were in with Pat's basic constituency. It wasn't just the conservative Democrats. We were in great trouble with everybody who after eight years had a grievance or had something they didn't like--so we had problems with the CDC, which wanted Pat to be even more liberal--didn't like his having moved the troops into Berkeley; didn't like a lot of other behavior.

Vietnam and Student Activism

Fry: We've got the Vietnam war issue here--it seemed to be one of those major splits in the CDC itself. It's not clear to me what Pat Brown's attitude was because I thought that he was just straight-out in support of Lyndon Johnson's Southeast Asia program, but then later I read that he was more moderate on it.

Champion: Yes. Pat, on that one, basically took the view that it wasn't a state issue, which in fact, it was not. That while he was supportive of federal government, that he had a lot of questions about Vietnam. But that in effect he was not going to campaign against that--that wasn't what this campaign was about--and he was in sort of a middle position here. He was in a position that a lot of us were in at that point.

How much did we really know? When you looked and you got a governmental analysis of that situation from people whose intelligence and understanding, for whom he had substantial respect--and there were a lot of such people in the administration--and you didn't have any direct contrary information of your own, you're sort of inclined to go along with those judgments. You may occasionally question it--is that really right?--or where is this all really taking us?

But basically you stayed with the leadership. One of the interesting aftermaths of the whole Vietnam thing is that we've lost a lot of capacity to govern very effectively in this country because there is so little willingness to coalesce around leaders. They aren't permitted any mistakes. One mistake kind of discredits their whole thing. Well, hell! There isn't anybody who doesn't make mistakes.

Fry: They can be a really effective public servant and then not--

Champion: And make a mistake on something, but--

Fry: --like writing a wrong prescription.

Champion: Well, in that case, I'm not sure that's a very effective public servant, but that's another--I'm talking about making public policy mistakes, some of which are immediately apparent and some of which may not be apparent for a long time--but people are going to do them, and they're going to make them.

But now, we rush to every single mistake as if it were a crime against nature. The Vietnam thing conditioned that; when Vietnam came along, we didn't have that attitude. We had presidential leadership, we had a party in whose judgment and experience we had a lot of confidence; so when you raise questions about it, basically it didn't turn it into a major issue.

Vietnam, really, I think, in a majority of the Democratic party didn't really begin to resolve itself for another year or two. Pat had questions then. One of his chief advisors, Fred Dutton, was very open in his disbelief in the Vietnam war and was one of leading questioners. Well, Fred's longterm views of things were sometimes quite prescient, but on other occasions, his short-term things were quite often astray, so that, privately, I think, he and Pat had a number of discussions in which Pat was quite sympathetic to Fred's views--in fact, I know they did. I had a discussion with Pat and questioned him about the Vietnam War, but never any big public saying, "This is wrong," because I don't think that the conclusion had been reached. It was a questioning kind of attitude.

In that sense--if you want to call that moderate--I think that's where he was at this stage.

Fry: With all that political energy going on at Berkeley--centering, I guess, at Berkeley and spreading out through the state--was there ever any effort to harness this for Pat Brown's use? Because at the time, you could just see that this was throwing everything over on Reagan's side--that the kids who were conducting the demonstrations and everything were really--every time they did that, it was another score for Reagan.

Champion: For Pat to go with them would have been an even worse mistake. It would have pulled him way over to the left; given Reagan an ever-greater centrist position. The only chance that there ever was of beating Reagan was to keep him isolated--as somehow not being of the center. Where there was a lot of discontent with Pat--where the racial issue was very strong, and only if you had voters feeling that Reagan was too far to the right, did you really have a chance of beating him by that time. So the notion

Champion: of ever going with the kids, who don't vote in any very great--well, look what happened in the great crusade as late as '72 with McGovern.

That was one of the places where I think Dutton was always wrong--he kept talking about this new young wave is going to change American politics. He wrote a book about it. It hasn't at all.

In party primaries--in the politics of faction where that energy and drive can come into play, sometimes it can have a real effect. It can propel a [Eugene] McCarthy candidacy so far, although if you look at it electorally, it didn't mean many votes in general elections.

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Champion: I mean it's not going to be a dominant factor.

Fry: What I was really thinking about at Berkeley, and kind of wondering about, was whether if you know of any efforts made to try to talk to the student leaders and get them to maybe just hold off; because they were putting Reagan in office even though Reagan was even more adverse to their interests than Pat Brown.

Champion: Yes, there were some, but I don't think they were ever serious or they went very far, because I think they basically didn't trust Pat. Maybe the critical event there may have been the moving of people out of Sproul Hall and sending them out to Santa Rita [county jail]. Because there were people--Paul Jacobs, as usual, was involved with the students. That was sort of his so-called reradicalization.

He was one of the people--he talked to me or he talked to Pat about what could be done. There were some other people on the campus who tried--but it was never regarded as a major thing because it just--they were not about to listen to some plea from a middle-of-the-road, middle-aged governor--that what they were doing was somehow hurting his re-election and might elect Reagan. That's a rather orthodox, conventional, political, strategic kind of thing which in their mood, in their thing, they scorned.

Fry: Very classic, too.

Champion: Oh, yes. As a matter of fact, there was a lot of Maoist sentiment at the heart of the Berkeley thing--of the leaders. As a matter of fact, the people who were thinking like that, interestingly enough, were some of the old Stalinists. [chuckles]

Champion: They thought more in classic political terms of how you were advancing or hurting the long-term cause. But the rest of this was kind of free--you know the Free Speech Movement was not a bad name to call it--it had a little anarchy, a little Maoism--it was crazy, crazy politically, in that sense.

You don't work out classic political strategies with people like that or get them to behave in some way that would be perceived as having logic with a campaign manager.

Fry: I thought maybe at the time--

Champion: Anybody who ever dealt with Paul Jacobs would understand that.

Fry: You mean he would not try the--?

Champion: No, he would talk that way and then he would behave in a perfectly crazy fashion. Well, crazy fashion again in the sense of classic political behavior.

From my standpoint, it hurt--but Berkeley was a side show. You don't lose by a million-plus votes because of Berkeley. You lose because a mass of people out there think that their interests are being damaged, or fearful about something, or they want something very badly that they aren't being given.

Ronald Reagan's Style

Fry: Spencer-Roberts, who I think ran Reagan's campaign--

Champion: Yes.

Fry: --their survey at the time which directed the pitch of their campaign, showed that the number one issue was Brown's supposed lack of leadership ability, according to the book Ronnie and Jesse.*

Champion: I don't know what that means. I think it meant that a lot of people say lack of leadership ability or some generalization like that to cover the fact that the leaders aren't doing what you want

*Ronnie and Jesse, A Political Odyssey, Lou Cannon, Doubleday & Co., Garden City, 1969.

Champion: them to do--in this case, they clearly--we were having Watts and we were having student unrest, and a lot of people were very fearful about that. And Brown didn't keep it from happening--okay, that's lack of leadership ability, if you will.

I just think that's the kind of generalization of polls that political managers try to use, often as euphemisms, because they don't want to make--they don't want to talk about race issues, they don't want to talk about the things that cut in people's emotions and behavior, and therefore, they talk in these bland terms.

Fry: Did you perceive Reagan's campaign as being one that played on the racial fears?

Champion: I thought it was a very smart campaign, because he played on them but he did not say anything outright. It was a triumph of manner and style. It's the thing I think Reagan is best at--appearing to be reasonable while reaching, in almost jocular style, for those emotions.

He made wisecracks about Berkeley but he always made them--that was a good touchstone to get at some of that emotion without railing against it. I've always thought that was his effectiveness as a political personality. He seems so pleasant and reasonable and a little knowledgeable--knowledgeable in a cynical sense about how people are behaving, or his opponents are not--but without being threatening, without denouncing. He's a walking, talking Reader's Digest--including the use of statistics, which aren't particularly germane, which often are sort of factitious in character.

They sound like great facts, as if they're very revealing, and they're really a bunch of junk. But they're awfully hard to deal with or to refute. And they give an impression. He turned out to be not just a guy who could deliver one speech, but a guy who knew how in press conferences--otherwise, to use the same kind of approach that he'd used in that speech; who was a fairly quick study and who understands that you don't need to appear threatening--you shouldn't appear threatening--that you can take very conservative attitudes if you don't behave like a thundering conservative, which he didn't. So he turned out to be a very effective candidate.

He had those events out there--he needed only to refer to them. He didn't need to get indignant about them. They were enough to remind people of what they didn't like about the society and to make them feel that Brown was not doing a good job--whether it was Rumford or whether it was the campus, whether it was the Watts riots, and so on.

Champion: I think that's part of that white thing--that Reagan would do more for blacks, that Watts was very bad for blacks, and that Reagan wouldn't let Watts happen. That's the kind of underlying--

Attacks on George Christopher and Reunification of the
Republican Party

Fry: The polls showed that Christopher was creeping up on Reagan quite successfully, right up through--I think it's by May he was within six points of Reagan. It's easy to see how at that time you would have thought that Christopher was going to probably be the one to fight and be the more formidable middle-of-the-road candidate.

Champion: Let me say one last thing about that and then we can go back to Watts if you want to.

Fry: No, this is fine. I like to have it in the tape.

Champion: In that Christopher position, what we did in effect--nothing that we thought was out of line--we did think that Christopher's behavior both in and out of office--as a matter of fact, there was a kind of a gag around the campaign because of those Christopher milk violations, we used to kid about.

We used the old Olympia beer slogan that goes "Drink Christopher milk--it's the water." [laughter]

Fry: That's a take-off on the Olympia beer ad! [laughs]

Champion: We didn't have a very high regard for Christopher either--for what he'd done as mayor. We did think he horsed around a little bit. In the climate of a campaign, you talk to reporters and you tell them what you think and so on.

I don't think there's any question that we did play a role in what was later widely regarded as a smear campaign or as a terribly negative attack on Christopher--no question. I didn't think it was a smear campaign, but there wasn't any question that we were very negative about Christopher and we hoped he would lose. We said why we hoped he would lose and reporters widely knew that.

Fry: You're talking about another Drew Pearson story here?

Champion: Sure, our people talked to Drew Pearson--there isn't any question about that.

- Fry: One book I read said that Bradley was the one who did this--who decided. I wondered if there had been a conference with differences of opinion on whether or not to bring in this milk thing.
- Champion: Oh, everybody in the campaign knew what was going on, including the Governor. So, that's no secret; I don't think--
- Fry: So it was generally accepted as something to do.
- Champion: Sure, yes. It was not--
- Fry: I wondered if anyone disagreed at the time.
- Champion: I don't recall anybody--there may have been people who thought, "Well, maybe you shouldn't--" I don't really recall that. If they had, it was not based on any sense that this was somehow unfair to Christopher. They may have thought tactically it was wrong. But I don't think there was any basic disagreement that we were more concerned about Christopher than we were about Reagan. I don't think there was any basic feeling that what we were saying about Christopher was unfair or untrue.
- Fry: Well, no, he had been in--what had happened? He had been indicted for some--
- Champion: Price kickbacks and health violations.
- Fry: --in the way he--did he really water his milk? Or what did he do?
- Champion: Yes, he'd been fined--I forget what the exact details were--
- Fry: But it was a definite conviction.
- Champion: Yes. And I don't think there was anything in the Pearson stuff that was not true. I don't think anybody's ever--they've just said it was sort of a smear to bring that up again and so on.

But the other great mistake--and the reason I wanted to go back and talk about that was that what we did--the major miscalculation--you talk about Christopher having crept up--I think the way things were going up to that stage of that campaign--that had Christopher lost and had we not been involved in that, as perceived by the Christopher people, that Christopher and his people would have supported Pat and Pat would have had the election.

Champion: But the Republican party might not have reunited. As a matter of fact, it was touch and go right after the primary, I think, as to whether or not we could bring in major Republican support of the old Warren stripe back into play--that some of the Christopher people would be with us. As a matter of fact, they sort of led us to believe they would.

I think Christopher's personal bitterness--feeling that we had played an important role in his having lost, and that of some of his major backers, led the ones who had in the past been friendly to Brown and sometimes actually supported Brown, and who Brown had really expected to support him if Christopher had lost the primary, did not. And that Reagan played that very well, and Reagan's managers and Reagan's supporters played on the theme of Republican unity and this is the chance to win.

Fry: Yes, and the eleventh commandment.

Champion: Yes, the eleventh commandment.

Interestingly, I don't know whether our tactical mistake there was critical or not. It certainly had a good chance of having been critical. The fact is, though, that after eight or ten years out of power with a party that has been dominant in the state's politics--that you look after the second election and they tend to come back together; not to feel that they can have the luxury of fratricide.

That was also a very strong force--they wanted to win the election as a party more than they wanted to win an internal party fight.

Of course, they split up again later in California, and you had them losing Kuchel and so on. But at that point, that was also a strong thing. I saw the same thing when I was in Minnesota. The DFL, long the dominant party, had been out of office for four or eight years--the governor's chair and one of the Senate seats. And they'd been caught in Democratic presidential politics and division.

After eight years, I started going around the state to some of their caucuses just as an observer, just to watch it while I was vice-president of the University of Minnesota. I'd been to three caucuses and I said it's all over--the Democrats are going to win; they're going to be united no matter who they nominate--the party's going to coalesce because they're just so tired of not winning and fighting with each other. They wanted to win, and they did. They've been in the saddle again.

Champion: Well, now it's been eight or ten years--that was '68, so now it's been ten years. Now they are once again having internal friction--so there are cycles in parties and their structure and their support. Parties just aren't as important as they were even ten years ago. That was an element.

The Republicans were desperate to win and they were willing to take some things from fellow Republicans. And the Parkinson--the eleventh commandment--and the way in which Reagan handled that set of issues. He tried to calm down--he ran as an inclusionist in the Republican party; not as an exclusionist. That's the reason he's been so much more successful than the other Reaganite candidates out there who tend to read everybody out of the party.

Fry: But you would have thought that with the Goldwater election two years behind you, in which the more right-wing Republicans really were organized to fight the moderate Republicans, you would have thought that they would be the ones to fall apart in this campaign.

Champion: But they managed--Reagan and his managers who are more moderate and more practical, managed to bring in the Rockefeller people and heal the Goldwater-Rockefeller scars.

Brown Campaign Staff; Frictions; Special Events in a Losing Battle

Fry: At what point did you come into this campaign? Were you in it from the first?

Champion: I had something of the same role that I'd had in the previous thing; not in the primary. My memory gets hazy, but--Charlie O'Brien, who became the executive secretary--we went through a couple of others; then Charlie O'Brien, who later just missed being elected attorney general, came into the governor's office as executive secretary and was primarily responsible as the governor's representative in the primary--although I still played a role--media and other kinds of things, but nothing like I had before.

Fry: That was in the primary.

Champion: In the primary. Then, after the primary, we regrouped and I played a more prominent role. Fred Dutton, who did not really ever come back into the Nixon campaign in a formal way--

Fry: In '62.

Champion: In '62--came back in in '66, and Don Bradley was the campaign manager, sort of the body handler and so on, as he had been. On a personal level there was terrible fratricide in the campaign management.

Bradley and Dutton had over the years gotten to dislike each other enormously.

Fry: This was sort of a long-term thing then.

Champion: Yes. Accusations back and forth, politically and about other things, and yet both had been part of major successes for the Governor--Dutton in his initial campaign, Bradley in the '62 campaign and various others.

So Pat wanted to use--Pat, by nature, was, "let's keep everybody in," and hated to see--as most political figures do--people who've been helpful and supportive and part of success go off. So he tended to want to bring them all back in, even though they didn't get along together and sometimes made almost hysterical accusations about each other.

I spent a large part of that last campaign trying to keep the peace, trying to mediate between the advice, trying to keep people's spirits up [chuckles] because everybody felt that the chances were not good.

Gene Wyman, who was one of the--who was party chairman--at least he was the principal one for southern California raised a lot of money and never gave up.

The campaigns really were conducted in southern California by and large, both '62 and '66--that's where the real heat was. Sure, there were things done in the North, but the South was where the basic campaign was run.

I moved down there for about a month during that time, took a place on the beach at Malibu, so at least my wife and kids could enjoy it. I used to see it about midnight every night--leave at six o'clock in the morning--I could hear the waves pound all night--that's about my relation to Malibu.

But it never worked--the campaign--because of the disparate personnel things--and we were always trying to do something--Sure, you know a campaign's in trouble when it is trying to get the one big thing that's going to turn everything around, instead of doing the daily hard work that always accumulates. When it's running downhill, everybody knows, well, gee, that isn't taking us

Champion: any place, so there are a lot of spectacular excursions and alarums and so on, but that's what that campaign was and they were sort of disconnected.

Fred would work it out to have the Kennedys come out-- Bobby and I think Joan.

Lady Bird [Johnson] came out and they had a big event up at San Simeon. So there were a lot of big spectacles with visitors from out of the state. They didn't do very much good. Those were sort of Dutton's specials. They got lots of publicity and so on but it didn't seem to change the character of the campaign.

[laughs] I worked out in the closing days of that campaign-- a big property tax reform program, but we couldn't get the papers to pay any attention to it all. Martin Huff and I worked it out.

Fry: Do you remember what it would do?

Champion: You can ask Martin. I'm sure he's got it all written down someplace.

Fry: We had just had a big property tax assessment scandal, I believe.

Problems with Jess Unruh

Champion: I always said during that time that people didn't recognize it, but that the property tax was the poison in the public well and until people recognized that, particularly in California, that it was just going to cause trouble after trouble. We were always trying to get some property tax reform, but we could never get it worked out with Jess

[The following portion of text is under seal until July 2, 1999]

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Champion: because he was, in my view, protecting the big downtown property taxpayers and we were trying to get property tax reform for home owners. That's a sort of oversimplification.

Fry: This was Jess Unruh and the legislature.

Champion: He was very close with the department store people while he was in the legislature. Whenever we tried to work that out, we ran up against that. And also the local property tax assessors. But those issues go on and on.

Fry: He was close to the assessors?

Champion: No, Jess was close to the downtown property--particularly the department stores. He was very close to the big retailers, the Prentis Hales and those people. So we never were able to square away our differences and get withholding, which was the other thing we said we needed in order to make the whole tax thing work.

Champion: That was the thing we never compromised with Jess, and that may have been the most costly failure to compromise with Jess in governmental or programmatic terms that we had.

Fry: Pat was fighting a lot of major Democrats down south, wasn't he? Jess Unruh and Warschaw--

Champion: It was Jess. Party officials aren't really very much--Carmen got to be a big issue mainly because Louis Warschaw was her husband and a man named Harvey, who was a major national contributor, was her father. But she also was a colorful character, so she made a lot of press--and that hurt. That was adverse--what was her nickname--they called her the Dragon Lady. Art Hoppe wrote a lot of funny stuff about her. But she came from the old Harvey family, which was--

Fry: She was the Harvey.

Champion: Yes. But it was all part of the Unruh thing. Unruh kept trying to put together southern California. He really didn't want Pat to run again; he wanted to run himself. He tried various ways to force Pat out of the race--I used to have long--well, you know, while I think Lou Cannon is a pretty good reporter, I didn't think too much of Ronnie and Jesse.

Fry: That book?

Champion: That book. [chuckles] As a matter of fact, there's a typical Pat Brown thing in there. Pat is always trying to--he will rationalize anything-- One of the things in there is the reason that he wouldn't give in to Jess was that I might--something about involving me in running for governor and so on.

Fry: You?

Champion: Yes. You'll find it in the book. There just isn't anything really to it. Pat, once or twice, and I talked about electoral politics way back in '64, when Cranston was running for the Senate, whether or not I wanted to be named controller. But I'd never taken myself seriously as an official to run. Among other things, I don't like most of the things I'd have to do. I like the work, but I don't like to campaign.

Champion: Really what led Pat not to take to Jess is he really didn't think well of Jess as a potential successor in terms of being a leader in Democratic politics in California. He'd seen his behavior over a period of years and he didn't like it. He didn't like Jess's personal attitude toward him but he also didn't think too much of his commitment to the public good.

So he would throw out various reasons for not wanting to support Jess to Jess, which really weren't all that candid--like Hale has always been a close supporter and friend, if he wants to run for governor I should protect that position. He's been my friend, that sort of kind of thing. When in reality, that was sheer cover for the real thing.

I don't know what's going to come, Jess, but I don't really think of you as being the right kind of person to succeed me. That's what really lay behind it.

Jess's behavior was extremely threatening and abusive toward the Governor--both privately and publicly. I think he could have won Pat around if he'd approached him differently, but Pat--Jess has always gone through in his career periods of being a bully and then not being--but he was very much being a bully.

His people would come to see me and say, you'd better sign up with Jess if you want to stay alive in politics. And I said, "For Christ's sake, get out of my office."

At one point I went to see Jess. I said, "You know, these guys keep coming around to see me. It's ludicrous. If you really want me as a permanent, longtime, anti-Unruh guy, this is a good way to do it."

Jess and I have seen each other since--we've had friendly conversation but, basically, I think that his behavior during those two years really is what got Brown to run again.

Misgivings about a Third Term; Campaign Finance; Democratic Party Leadership Changes##

Champion: In that campaign, you know, he wasn't all that anxious to run again. He recognized that he'd suffered some long-term deterioration in the party, and there was Jess giving him a hard time, and he knew it would not be an easy campaign. But I think almost all of us who had supported him were unanimous--we didn't see anyone else who looked like a good, strong candidate.

Champion: The conventional wisdom at the time was well, okay, everybody knows this will be the last term, so let's try to decide who ought to be the--who are the best people and start building them up. As a matter of fact, the year after we lost the election, while I was back in California on a visit from Harvard--I came back a couple of times to work with a group of people, the younger people in the party, to see if we had some potential candidates we thought we might win with.

I remember one of them was Vic Palmieri, who was--I don't know whether you know Vic--but the people who were involved in that group were Warren Christopher, who's now the number two guy in the State Department. Bill Norris, who later ran for attorney general.

Fry: You say later--you mean after '66?

Champion: Yes. After the election was over, I went back to Harvard, but I flew out a couple of times to meet with this group, to talk about sort of the political future, who we ought to support and so on.

At that time I talked a little bit about coming back to California myself, but there was never--there was a state senate election in San Francisco, and a couple of people suggested I ought to do that. I did talk to some people about it, but it was complicated and I've never really had any sort of sense that that was my bag.

Fry: You'd actually be the one to run for office?

Champion: Actually being a candidate. I decided not to get personally involved. But we were looking for people who would.

The biggest problem is always campaign finance. You can't raise money--to raise money, you just have to do things you just don't like to do. Even if you're completely honest, the fact is that people who put up money get access--and just raising money from people, asking money from people for you to run, is a highly unpleasant business. Pat used to say to me, "I'm the governor. Why do I have to go around and ask people for money?" I said, "Well, you just answered your own question. The only people who can raise the money are the people who hold the public office, because people see some potential advantage in that and other people can't do that for you."

And I said, "As for me, rather than do it, I'll quit."
[laughs] I mean quit other office, not being in the elective thing--it's just personally so distasteful--the techniques of raising money. It is. It's always been the worst aspect of American politics.

Fry: In this campaign--that was the last year that a party could have a big dinner and sell souvenir programs with a lot of corporations taking out expensive ads in it, and one that Unruh ran did make \$100,000 or something like that.

I wondered if this year [1966], if this campaign was more difficult to get money in than previous campaign years.

Champion: No, I don't think so. Gene Wyman, I think, supervised the money-raising operation. No, I think, as a matter of fact, that both sides were able to raise a lot of money.

Fry: Could you comment, in closing here, on the reshuffle that took place in Democratic party leadership in '65 in preparation for this campaign? Roger Kent went out and Bob Coate came in. There seemed to be some discussion later of should you incorporate Carmen Warschaw into the leadership and let her be state chairman or not--

Champion: Yes.

Fry: --and should you have her candidate for national committeewoman in '65 or not--I guess she was versus Charles Warren for state chairman.

Champion: She was against Charles Warren for state chairman, and she was against Libby Gatov the previous year for national committeewoman.

Well, let me tell you, I have always thought that those things are vastly overrated. They make reading in the newspapers. They don't really have a hell of a lot to do with anything, except sometimes they make public internal party squabbles.

Fry: Symptoms of the internal splits.

Champion: Right. And Carmen and her role was always sort of symptomatic of the Unruh faction and its push for control and power in the party, and it was symptomatic rather than--the fact is she didn't win the committeewoman's seat. I don't know, did she? She didn't win either one of those fights.

Fry: No, she didn't.

Champion: She lost both of them by very narrow margins. Don Bradley and I personally beat her for the Democratic committeewoman's thing, just because Libby had always been very supportive of Brown and Carmen had been strictly an Unruh person, and it was the Brown forces against the Unruh forces--Yorty didn't have much of a role in party politics.

Fry: You and Don Bradley really got in there and worked for that--

Champion: Oh yes, we got the votes for that, representing Brown. It was a close one and it was a tough thing. We showed really how narrow the Governor's control of the party had been, that he even had to have that tough a fight to win that one. Once again, we had to have that very tough fight at the party convention with Charlie Warren.

As a matter of fact, it was at that one that I stepped between Dutton and Bradley to keep them from having a fist fight.

Fry: Yes, I couldn't tell whether they'd actually come to blows or not in the accounts I read.

Champion: No, they didn't. But it was only because I was standing between them. They were both ready to punch me. That's the way I felt about that whole campaign! Me standing between Bradley and Dutton [chuckles], keeping them from coming to actual blows.

Fry: Bradley wanted Warschaw?

Champion: No, no. Dutton wanted Warschaw. Dutton always thought that you could get Unruh to come along and be helpful. He was always the peacemaker. He was always playing the role of the peacemaker with the Unruh forces. For what reasons, I was never quite sure. I think he thought that probably the best thing to do would be to let--and you could make an argument--the best thing you could have done was to let Jess run in 1966 and get beaten. [laughter] You'd save yourself a lot of trouble over the future years--you could make a good case for that in second guessing.

Fry: Does anyone ever talk about that?

Champion: Yes. Yes. But it was really after we were deep into the campaign that there was consternation about when it became apparent we wouldn't win, that we kept saying--

Fry: You should have let Jess run! [laughs]

Champion: Yes. Because when we started out, with Pat running again, we thought we could pull it off. We thought we could get Reagan, that we could pull it off.

Public Relations and the Citizen-Candidate: An Issue Ahead
of its Time

Fry: The other question is why didn't Pat Brown get a full-time statewide PR firm like Reagan had? He just used his PR firm on a contingency basis.

Champion: That, once again, is misunderstood. It isn't the PR firm--I mean Spencer-Roberts were essential to a guy like Reagan, who'd never run for office before, who didn't have any background or experience, who didn't have a campaign structure.

You've got to remember, Brown had won three or four at least--five straight elections, each time having various people fill important roles, but a core of the same people year after year after year--using various PR firms to do certain kinds of things--but that wasn't it. Reagan needed that kind of a thing because he didn't have it.

Brown had all other kinds of things--it was the organization of the campaign that failed; not not hiring a statewide PR firm. That's not necessary.

Fry: There's one thing that seems to stick out in everybody's memory, and that's in one of the final TV programs--I think it was also made into a little minute tape to play in the campaign when Pat Brown said, "I'm running against an actor. You know who killed Lincoln, don't you?" Did you feel that was a bad thing for him?

Champion: No, it was a completely open moment. As a matter of fact, the reason it was in the film was that Charlie Guggenheim who was a very good film maker made that film. He just followed Pat around, taking things of him. And that was just Pat Brown--and the guy chose it as being a funny little incident of Pat Brown's. It was not staged for the camera or anything like that. It was just one of those little things--

Fry: [chuckling] Pat Brownisms.

Champion: Yes. Here he was talking to this bunch of little black kids and he's saying with a laugh, "Do you know who killed Lincoln? It was an actor." It was a joke! Yet it was portrayed in print, it was portrayed as being a very heavy kind of thing. Most people never saw that in the film. There wasn't any reaction to it when the film was originally displayed--it was after the Republicans yanked it out and made a big issue of it.

Champion: What did hurt, I think--it was interesting because we did go heavily on the theme in those spots of Reagan being an actor--to try to show that he was unqualified because he didn't have any background and he was very cleverly playing this stuff you know: who likes polls anyway--I'm a citizen's candidate.

I think those spots, to that extent, played into their hands. There we may have been ahead of our time. One of the big complaints about the current situation is the sense that people who've not had long experience in government are sort of screwing things up. The citizen's candidates have not proved to be all that successful in dealing with the problems of government--that maybe what we need is some experienced old hands at the tiller.

That's what we were trying to say in that campaign.

Fry: You were criticized in one analysis for not saying that more.

Champion: It was not that we didn't say it a lot, because we really did. It may have been how we said it. It came through not that we were trying to show Pat as being the more experienced, steady old hand, but that we were attacking Reagan for being an actor. Well, that's just a bad piece of execution of the strategy. Because the strategy was to use the fact that he was an actor, which is an attention-getter, to then go on and point out, "Well, you know, he just doesn't know very much about these things." But I must say, he did a great job of acting during the campaign and he was a good, quick study.

We had people out there asking questions--tough questions. Only once or twice did we catch him completely unprepared, not knowing about the problem in a given area. We thought we'd get a guy to go up to the Oroville reservoir--he was having a big meeting up there, and ask him a question about the background.

Pat knew that stuff from twenty years of being involved in water law and everything else. We thought, well, you could get this kind of contrast. But Reagan really did his homework. It was not deep homework, but it was--it contained the issue, enough to appear knowledgeable, which is all he has ever done--all he has ever had to do. You don't find him making big, detailed speeches on the history of Panama. He just makes knowledgeable-like remarks about it, and that's the technique.

Negative Campaigning

Fry: You chose to bring up Christopher's milk violations, but you chose not to bring up Reagan's--that shady business about the way he got the contract for doing the announcement on a nationwide TV show--I'm sorry I don't know enough about the TV part. He got an awful lot of money for that--more than he should have was the story and I wondered--

Champion: I must say we didn't hold off on anything about Reagan that we knew, that we thought was documented and that you could authenticate. If we didn't use something like that, it's because we either couldn't document it or we didn't think that it really showed anything particularly wrong.

Fry: I think that was also complicated by the fact that one of the film companies that was involved in this was owned by a good Democrat, which might have clouded the issue.

Champion: No, that wouldn't have bothered us at all.

In those pieces of negative campaigning, there are always two questions to ask. One of them is: is it really true and did the guy really do anything wrong and the other: is it something that has some bearing on his fitness? Which, in the case of Christopher, we clearly thought it did.

I'm not sure that we--God knows that we looked at those things just as they looked for any evidences of corruption or wrongdoing in the Brown administration. As a matter of fact, that's one thing, among a lot of others, but one thing I think was really remarkable. The more time I spend in politics and government, the more remarkable I think it was. It's that we had eight years and we had people looking just as hard as they could to find anything crooked or corrupt, or bought or paid for, and nobody found it, because it wasn't there.

You know, there are a few local episodes--some liquor dealers would take bribes down to southern California and get caught and convicted.

Fry: You're talking about Bonelli?

Champion: I'm talking about the administration level--that nobody was ever--and we really ran a--[chuckles] I can remember firing a guy from the board of funeral parlors, because he was involved in sort of tie-in deals between the board and various people with certain kinds of practices in the conduct of funerals. Tear them on out! Force them to resign.

Fry: How can you have corruption in funerals?

Champion: Oh, believe me, the things that--the licenses are valuable and the way in which a guy who owns a funeral parlor and also has rights in a cemetery and sells people lots in his cemetery over-priced and so on.

People, after somebody's just died, are very vulnerable. Believe me, they get fleeced.

Fry: The state did have some ways of regulating it.

Champion: Oh yes.

Fry: Well, I certainly do appreciate your taking your time again.

V STATE FINANCE AND GOVERNMENT ORGANIZATION

[Interview 4: July 2, 1979]##

1959 Budget Message: Reorganization and Tax Needs

- Champion: Why don't you go ahead and ask questions based on the notes your office sent.* That will probably give you a better structure for your purposes than if I start rambling.
- Fry: We can start where you began as director of Finance. The why and the how of your functions.
[difficulty adjusting microphone]
- Champion: The history of the Department of Finance thing--I may have mentioned it earlier--but when we first arrived, one of the first things that had to be done was to put together the--and this goes to some of the material also--we had to put together the governor's budget message, which begins during the transition period.
- Fry: After the 1958 election.
- Champion: And before the inauguration. We had a financial problem, as those notes make clear. But there were also a number of things--programmatic items which had been brought up during the campaign and that the Governor wanted to deal with. The first finance director, Bert Levit, was a careful conservative who had a lot of ideas about ways in which he wanted to save money, a number of which centered around educational finance.

*The notes referred to are summaries of state finance history 1961-66 and outline of suggested topics by Gabrielle Morris of the Regional Oral History Office staff.

Champion: We also had some programmatic commitments in the area of educational finance that came out of the campaign in terms of what we were going to try to do to help local school districts and so on.

Fry: You mean Bert Levit wanted to save money on education?

Champion: Yes, to some extent. He had been a member of the board of education in San Francisco and he thought the schools in many cases were not run to save money, were not well managed and so on, and that was an appropriate observation. But the problem was how to put together that with something that met the programmatic educational interests that the Governor had.

Fry: You mean the master plan?

Champion: That's higher education. That's somewhat later. It had more to do with the levels of per capita support from the state in terms of sales tax funds and so on. At any rate, as the budget was developed with the staff and with Bert, there were a number of these issues that had to be thrashed out.

At the same time, there was also a major conflict which--not conflict, two major items that are always big legislative problems. Many governors coming in, and I've talked to a lot of them about it, have had to make a choice between whether they first wanted to go for reorganization of state government or for new taxes. You generally cannot do both things at a single session; you really have to make up your mind which is your priority.

Fry: Is that because both are so controversial?

Champion: Yes. Both of them are so difficult to muster adequate legislative support.

Fry: It would be a double bombshell.

Champion: Yes. Also, you just have to do too much trading and vote negotiating and all the other kinds of things--using up political ability. Some governors have chosen to try to reorganize first and to get the taxes later; sometimes to get the taxes first.

Given our financial problems, we decided to go with the major emphasis on the tax program. Now it was both, as most such programs are, tax reform and increased taxes, to try to bring the two together. The amounts of these had a good deal to do with educational finance. So that when we got through that, there was a lot of negotiation that went on between the governor's office

Champion: and the director of Finance. The two of us who spent a lot of time on that were Warren Christopher and myself and, ultimately, we also collaborated on the budget and tax message that went to the legislature.

The reason we ended up doing it is because it turned out that Chris and I, among those present, had probably seen more budgets and dealt with these kinds of things more than most other members of the staff. Although I was press secretary, the first major job I had was this negotiating, substantive one of producing his first message. Or rather, it was a joint responsibility.

From that point on, I had a lot more to do with the Department of Finance and those issues than would normally have devolved upon any press secretary. That's how I got into this whole business.

Finance Directors Levit and Carr; Champion Appointment

Champion: When Bert Levit left--he had always agreed to do this only as a service to the Governor, and he was very good, he was very helpful, but he had a limited amount of time to do it. When he went back to his practice, John Carr, who'd come in originally as director of Employment, I think, but had a business background, was moved into that position.

Fry: What difference did that make? His business background.

Champion: Well, he'd been in the department store business and it was, in my judgment and I think ultimately in the Governor's judgment, a mismatch for him to be in that position in this administration. He felt that too.

In the meantime, after about a year of being press secretary, I became executive secretary when Fred Dutton came to Washington. So that we were more and more having to get the governor's office involved in decisions made by the director of Finance, who in California, as you probably know, is kind of a general manager for the governor in operations, anyway. At least he has been for a number of governors. That isn't always the case. Sometimes it gets used that way and sometimes not. But it had in the immediate previous administrations.

Fry: Yes, I read. That was the summing up that Reagan's crew gave it during the '66 campaign in an article in one of the papers.

Champion: So we then began a search for someone else. I was involved in trying to solicit the interest of three or four different people for that job. None of whom wanted to take it.

Fry: Could I ask you one more question on John Carr? Is that the John Carr who's from the Carr family in Redlands?

Champion: No. Totally different.

Fry: Different Carr.

Champion: He's from Long Beach. He'd run one of the department stores down in Long Beach.

Fry: Was his a problem one of not being able to see a total picture or was it just operational?

Champion: Part of it was a difference on program, another was the emphasis on how that job should be done. I will tell you a story which, if John Carr is no longer with us, you can use; and if he is, you can't use.

One afternoon I was trying to reach him on an urgent matter and they told me he was at one of the state's mental institutions. So I said, "Well, wherever he is, find him for me. I need to pass a message from the Governor." So when they got hold of the institution, they said, "Well, Mr. Carr is very hard to get. He's here but--"

I said, "Why is he hard to get?"

"He's down in the basement."

I said, "What is he doing down in the basement?"

"He's counting cots."

I said, "Will you please get that former floorwalker out to the telephone?!" [laughs] Which was a terribly unfair thing to say, except that he tended to get interested in minutiae instead of bringing a kind of a large understanding to what the problems were.

The parting with the Governor was friendly but it was nonetheless clear that we needed to get somebody else. But he also had programmatic disagreements. He was much more conservative and he tended to deliver the business community's message. And that was it.

Champion: In his public speeches he was therefore saying things sometimes that were not administration policy. But it was a friendly parting, as far as Pat and I were concerned, but we just didn't think he--there were some things that should have been getting done but just weren't being done, just administratively. That was another problem.

Fry: I'm a little surprised that you had trouble getting somebody interested in it, then, because that's a very powerful position.

Champion: It is. It is the same kind of problem that you have in major executive positions. Almost anybody we thought was able to do it was making more money somewhere else or was at that stage in his career someplace else where to interrupt it to go into the state service was taking a chance in career terms.

This is a standard problem in government and you get it every place. While all those positions are powerful compared to what you get paid for doing even lesser jobs outside, they don't compare.

I face this problem now.

Fry: [laughs] I know.

Champion: I simply can't afford this job. I was telling the National Journal people, the guy who runs the health care agency--we pay him \$50,000 a year. That's a \$50 billion a year operation. We pay the guy who runs the Social Security Administration \$50,000 a year. That's a \$100 billion a year operation. It is incredibly demanding of energy and time and you either have to find somebody who has already made enough money so that they are more than comfortable--have other income and are therefore willing to do it or willing to make sacrifices. Or you have to find somebody who is relatively untried and take a chance on him. Well, this--what happened in this case was that after we approached several people and been turned down, that the Governor said, "You've been doing it while we're looking and you haven't been able to find somebody, so you're going to have to do it yourself."

I resisted that notion; told him I didn't think it was a good idea having a former newspaperman take over that job with its powers and responsibilities; I didn't think it would be very well accepted around the state. And he said, "The people who know you--I've talked to some people who know you, and they don't think it would be a problem, except for one thing, and that is a lot of people don't know you, so you have to get out around the state and talk to people right after the nomination." [chuckles]

Champion: I said, "All right. I will do it," and he did indeed announce it, and then I took off on this tour around the state. But Pat's final admonition to me as I began this was, "Don't worry about it. You know more about state government than any of those other people. But even if you didn't, given the fact that you were a newspaperman, they don't expect very much. It will be like the old story of the horse that could talk. Nobody cared what he said," [laughter]

Fry: You felt like you were a one-man circus being exhibited? [laughingly]

Champion: Not quite. But there had to be a certain amount of convincing people that I could do it. But that was no problem there.

Fry: Did that position have to be approved by anyone besides the governor?

Champion: [drawing on cigar] My recollection is at that time that it did not. But later on when we did the reorganization, that thereafter it had to be approved by the senate. That's my best memory--don't remember going through a confirmation process. I think he just--it was always felt that that person was the governor's--

Fry: --right hand.

Champion: --right hand, and that he should be privileged to name him. But later on, either in connection with a pay increase or with reorganization, or something of that kind, the senate did attach a confirmation, and we didn't argue about it--it wasn't very long anyways. It's not an unreasonable thing.

So that's how I became director of Finance.

Fry: Since you sort of slid into it sideways, was there any special admonition to you from Pat Brown that this is what he wants a departmental head to do?

Champion: [pauses] No.

Fry: Usually when a governor makes an appointment, he calls a man in and he tells him what he hopes that this agency--this position--will accomplish. But you were already in it [laughs] by the time he appointed you.

Brown's Reorganization of State Government

Champion: Yes. We'd been, I believe, doing it and working on its role and most of the things that it had to do with. As a matter of fact, because of the close relationship in the way in which we had done things before, actually we created in the Department of Finance, something called the office of program and policy where we did some of the same kinds of development of programs for the governor's office that, say, OMB does for the president. We somewhat expanded its policy role so that the legislative office was more in the position of selling the program than it was in terms of developing it.

So we put the legislative and budget development processes closer together than they had been before that time.

Fry: I see. That didn't require any legislation to do that, I guess.

Champion: No.

Fry: Do you want to go into the reorganization, then?

Champion: Here's what happened. There were two phases to the reorganization thing. The first time it was done, it was with this big task force that involved--I don't remember the history in any precise way, but it was a big public reorganization study with a set of recommendations that had some things in it that required constitutional change: appointment of some of the statewide officers, who up until that point had been elective or still are, as a matter of fact.*

It made a lot of--yes, that was '61. We had some meetings, I remember we had some meeting over at Davis, or someplace, which was a kind of retreat. All the major officers in the state government went. There was a lot of opposition on the part of the other elected officers to having appointive officials. Pat did not agree with some of the initial recommendations; I didn't agree with some of them.

*The Agency Plan for California; Report to Governor Edmund G. Brown from the Governor's Committee on Organization of State Government. December 1959 [1960]. See also Report to the Governor on Reorganization of State Government by the Task Forces. November 1959.

Champion: I don't remember how they were formulated--by some sort of a commission, as I recall--a typical commission project. Instead of just looking at the immediate needs to reorganize in the interests of greater efficiency, a lot of political-science kinds of recommendations came into it as to what was an appropriate model.

It became clear that wasn't going to go anywhere, but it took quite a while for that to become clear. As I recall, there was some criticism that we were taking forever to make the recommendations.

After that meeting, we had the Governor and some of his closer advisers together and we decided that was the wrong way to go. So we brought the thing back in house. We organized a group. Basically, it was a group of civil servants. We concentrated on the functions of the government--the structural and functional relationships.

We went through and produced another document, another reorganization document. The executive secretary, the guy who probably has the detail--there are two people who did much of the work.

Neely Gardner. Do you know Neely Gardner? Last time I knew, he was teaching in the School of Public Administration at the University of Southern California. I think he'd been in the state Personnel Board office and then he was a deputy director of the Department of Water Resources under Bill Warne. He was one of the key people on putting that together.

The one who was actually writing the final version was a political science professor. I think he came up from San Diego State--Don Leiffer--I think that name's right. Don worked for the Governor in his office. He kept writing and rewriting the thing. But he kept rewriting it the same way and we'd tell him to do it differently. [interviewer laughs]

Finally I took it from him. I don't know who helped me write it, but I basically put together the final package, which was based on: we will go for this by executive order creating what we can do by executive order and then we will seek legislative support for those parts which we can't do by executive order.

That must have been--by that time, it was [pauses] '61? '62?

Fry: I think it was after that. The first one was '61, when it came up, and then the next one was, I think, '63.

Champion: Anyway, that second process took us quite a lot of time. It took us, as I recall, two or three years. It may have spilled over into the second term; I'm not sure.

Fry: October of 1963.

Champion: That sounds right, that sounds right.

Fry: That's when the Department of General Services was established.

Champion: Yes, that was part of it, that was part of it.

Agency Theory of Administration: Accountability and Special Interests

Champion: And that's when we set up the agency head theory, which I still carry around in my head--the theory of what one of those agency heads or cabinet members was to be, as being a better model for the federal government than the one they've got now.

Fry: How did it differ?

Champion: That, in effect, the people in each of those major areas, by reducing the governor's span of control to seven or eight, that those people would be the governor's spokesman and leaders in each of those eight areas, but to do it more in terms of oversight than in trying to run each of the departments under them individually.

There's a statement that was attached to that which still says fairly well what we were trying to do.

Fry: That he should not be involved in the operations of the agencies but that he would be--?

Champion: No, that he could be where he felt it was necessary in the government, but that day-to-day, he wouldn't run the armies. That it would be oversight--you'd go in on special projects. Those things that were of--in the case of California--gubernatorial-level concern. He could get down into it and get a look at their budgets and so on, but that he not be involved in the regular day-to-day responsibility; that he not be the operating sort of executive officer; that he be much more chairman of the board. The federal government would run better if that were the role. Otherwise, the problem you have is that when those people are out there running those organizations with their

Champion: concerns and with their constituency's concerns, the thing that happens is you gradually get a division between the governor and the people who are out there running it, which the governor then fills in by having staff people responsible in each of these areas who then become the governor's agents. It leads to a split in the executive branch, which is very difficult and which we have a big problem with in Washington right now.

Everybody has his own style and way of dealing with it. But to my mind, that was fairly successful. Several of the cabinet people didn't like it because it meant that they didn't have big staffs and they didn't run the whole budget apparatus in great detail. If they needed some people to do specific jobs, they had to detail them up from the departments to work on these oversight things.

They liked being generals of the army and they wanted a lot of troops instead of being in that role, but we pretty much held them to it. Some of them were more successful than others. But it led to a lot of clashes.

I remember Hugo Fisher who was the Resources Agency head, used to try all the time to run the Department of Water Resources, which was one of them under him, run by Bill Warne. Every decision Warne made was overruled.

In a theoretical sense, he did have a right to intervene to look after the Governor's interest. But actually, as often as not, he was just raising the questions because he disagreed with Warne; it had nothing to do with the Governor.

It's the way OMB frequently does now. They say they're doing this to protect the president when, in fact, they're doing it because they think it's a better way to do it than the guy who's running it. The larger government gets, the more difficult a problem that is. But that notion of that special kind of relationship in those agency heads is what we tried to do in California, and to some extent I think we were doing it.

That didn't have as long a trial as it might because of the way in which Reagan used it.

Fry: On what? Could you just briefly tell me what changes Reagan made?

Champion: Well, I wasn't a first-hand witness, so I'm not a very good--but from what I could gather is that there were a small group of people in Reagan's staff and some of the agencies. They, in effect, made sort of the decisions by vote. They were sort of a--

Fry: The governor's private cabal?

Champion: Yes, a private group. It did not follow any administrative or formal structure. It was informal, although some of the people involved in it were people who held administrative posts.

Fry: So that some agencies under Reagan--
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Fry: You said a lot of people didn't understand the span of control as it really exists.

Champion: That's right. The major thing that they don't understand is that all of these people are theoretically supposed to report to the governor. Given all the demands of time and attention on the governor, a lot of people who theoretically report to the governor never talk to him. Unless there is some structure which keeps track of them--in fact the reason they don't like to be reorganized is not that they are taken away from a direct access to the governor. That was always theoretical.

What it means is that there is somebody they have to check in with. Since they've never done that, they don't like it. What they're really lamenting is their loss of complete freedom. There are literally hundreds of these boards and commissions and small special agencies. If you don't bring them together and give them some structure with a reporting relationship to seven or eight people, who in turn represent the governor, they simply are going to do whatever they damn please.

Since many of them have special-interest relationships, they quite often become captives of those special-interest relationships. They usually have gotten written into the legislation which created them--requirements, for instance, that the Real Estate Commissioner have had ten years' experience as a real estate man or that the Insurance Commissioner be a--so that unless you have somebody with a more general interest watching their activities and raising questions, and bringing those which the governor should be interested in to his attention, they operate with relative freedom. And not always in the public interest.

For instance, the one piece of reorganization--I don't think we ever got it or if we did it, we got it in some very attenuated form--was the one that covered that kind of agency, bringing them all together--the regulatory agencies-- We were able to do it on an executive order basis, but even then the agency head whom, as I recall, was Preston Silbaugh, who was Savings and Loan Commissioner at the time, had great difficulty in getting any cooperation from the people in insurance and the people in real estate and the people in the other comparable regulatory agencies.

Fry: I understand that California has more government by commissions than almost any other state and that sometimes this has really curtailed government.

Champion: That may very well be true, although in many of these cases, these weren't commissions. I mean there was a commissioner of insurance and there was a commissioner of real estate and commissioner of savings and loans, so it wasn't a matter of a commission. But it is true that in various other areas, a lot of functions were carried out by commission.

We tried, in the organization, as much as possible to go to the single agency head so that there was one person who had the decision-making authority. But there were pieces of statute that restricted this freedom. For instance, I think the man who ran Beaches and Parks. Some of the things were governed by his commission—the commission had to make some decisions.

That means it always takes time for a governor to get control of an agency. Until he has enough time to make enough appointments to those commission which are staggered appointments, he can't do much.

Fry: If he wanted to make the changes, he could not himself simply write an order to that commission. He'd really have to try to persuade, right?

Champion: Persuade, coax, sometimes even bully even a little bit, because most people want to be reappointed, and so on. You know, you do have strong coercive powers, but it takes a lot of time and a lot of attention. Instead of just trying to decide something on the substance, you then have to go out and round up the votes.

Not only do you have to do that in the legislative side, but you sometimes have to do that on the executive side as well.

Fry: You must have had somebody--

Champion: I might say that a strong executive budget in California, which we had--that is, there was a lot of governor's control over the budget, more than in many states--give the governor a weapon to deal with independent commissions, in terms of how much money was going to be recommended to the legislature for him and so on. And we sometimes used it. [laughter]

Fry: The one who controls the dollar controls the government.

Champion: That's right.

Fry: The other thing I was wondering about was when you mentioned the special interests. The California State Employees Association keeps cropping up when people mention strong interest groups. I wonder what their feelings were about the reorganization. Did you have to deal with them?

Champion: Yes. As a matter of fact, having the Personnel Board come within that agency was something that they didn't like. But after some initial skirmishing, they generally felt that they were dealt with fairly and did as well as they had under the old setup. That's my impression. They may have felt very differently.

I find that people when they're dealing with you, where you have at least something to do with what happens to them, sometimes tell you less than heartfelt things.

Fry: You noticed that. [laughs]

Champion: Yes. [laughingly] That has on occasion occurred to me, and that may have been the case. But I genuinely did think that they finally did not feel they had been disadvantaged.

Fry: What other strong interest groups were there from outside government that you had to deal with in reorganization?

Champion: The groups that felt that these departments represented them. The veterans, you know, did not want to be and ultimately were not in the health and welfare area, even though most of the functions of the veterans' groups were health and welfare. But they never want to be associated either in the state or federal government with health and welfare. They feel that somehow that detracts from the nature of the obligations to them.

Agriculture always bitterly resists being grouped with anybody else; they've got to have a place of their own; and they won that struggle to continue in their own department and not to be in Natural Resources or some other structure.

I don't remember all the other details.

To tell you the truth, too much--and I may be in a minority on this among people who spend a lot of time on public administration--too much is made of formal organization. It is very interesting. Discussions of it in public are very useful because it helps people understand the nature of the relationships. But the actual outcomes of organizations and reorganizations are usually overrated. They are neither as good as the proponents say nor as bad as the opponents argue that they are.

Champion: They ought to be changed from time to time because relationships do change and ideally it is often better to restructure them. But in terms of the history of nations or states or anybody else, reorganizations, because they so preoccupy the people who are engaged in government, are given a lot more attention than the role they really play.

A lot more public attention is given to some of the Carter departmental organizational questions than to things that are fundamentally much more important in the operation of government. For instance, civil service reform in the case of the Carter administration, was by light years more important than any reorganization suggestion that he's making. But the creation of a new department has a certain drama about it, and so a lot of attention is being paid.

Cost Effectiveness; Systems Analysis Experiment

Fry: There was some talk that this organization was just window dressing and that it didn't really save that much money.

Champion: Well, that is always argued. It is always a very difficult thing to make an argument about savings, because what you are really trying to do is to prevent the costs from increasing more rapidly. I think real savings do result from these. They result as much from the perceptions that you get in the process of reorganization as from the reorganization itself. That you would find ways to-- and you would get much more if the legislative bodies would let you get rid of anything.

It does provide opportunities to reduce numbers of employees, it does provide opportunities to have people who are performing duplicate functions to have only one group of people do that. There is a lot of that and that is one of the opportunities of reorganization.

But generally, as a price for getting the reorganization, you grandfather all the employees involved. So you defer for a generation, or at least a half a generation, the inherent savings, but if you hadn't done it, you would have had this burgeoning of costs on both sides.

I really think reorganization does save money, and that periodically it's necessary just to keep Parkinson's Law not just operating in normal fashion but in duplicate fashion.

Fry: Did you save enough money to put in new programs or anything tangible from this reorganization?

Champion: Well, sure. You keep what would have been the growth of cost from gobbling up new dollars coming in, but to say that reorganization became a major financial fact of what we could or couldn't do, no, I don't think it did. It would have in the future, I think. You know, if you let present trends continue without changing them, I think sometimes out there, there would have been heavy costs.

Fry: As a corollary to this, what happened to the idea of a statewide information system? I think Lockheed made a study on this.

Champion: That was a widely misunderstood thing. Let me tell you about those studies. When the aerospace business was going down in California-- it was during one of the great lulls in government contracting. We had a lot of extra capacity, a kind of think tank capacity, in each of the large aerospace firms out there. Somebody--I don't know who it was--came up with the idea, "let's try to use that to try to solve some state problems." And that seemed like a good idea.

So the Governor and I sat down and worked out with the--

Fry: Really? People losing their jobs in aerospace?

Champion: Aerospace wanted to keep the teams together. They'd sent the man to the moon; they'd done these other things; they designed a lot of new things, and there was a lull, a recession, in that industry. I forget what year it was. They were afraid they were going to have to break up the teams. Somebody suggested, "Well, state government has a lot of problems to solve. These people have shown that they're ingenious and creative. So let's see if they can solve some problems."

So we worked out, I think four contracts, which we put out, for a minor sum--something like \$250,000 apiece. One of them was to look at how to administer the welfare program, another was the future of state transportation systems, another one was information systems; there was a fourth. [pauses] Oh, the criminal justice system!

And to look at these things as these teams have been taught to look at them--as systems--as functional systems operating in the society from sort of outset. In the case of criminal justice, from crime to the outcome of punishment, all the way through the system.

Champion: How they worked, where were their weak points, where could they be strengthened. The same thing in welfare. The same thing in-- well, not quite the same thing, in information systems. But here were all the sources of information in the state--local, state, non-profit, and all this. How did you get that information best put together so it's the most useful information base for everybody involved? How did you put it on a network so that it could be accessible to all of the parties? Because it was clear there was enormous duplication in information-gathering activities, whether licensing or anything else.

I think we paid only \$250,000 a contract. The industries put in all the rest of it. Each of them spent at least twice that amount of money on these contracts. It was an exercise for them; it was something they were interested in doing, so it was done on a partnership basis. We provided seed money but they provided much more in many ways.

I think what they did was fairly, in the sense of state of the art, was further out than anything that was going to lead to an immediate practical program, but it was in a position to enlighten what was being done in the meantime or to give new directions.

I remember I got in a big fight with the legislature over the welfare one because the systems analysts pointed out the inadequacy of our data-processing and welfare-payment system. I had money in the welfare appropriation to pay our \$250,000. Jim Mills said something in a senate hearing about how it was taking money away from widows and children to spend on aerospace. I made some casual remark before the senate committee to the effect that, well, you may not want to know what you're doing, but we do, or something I never should have said.

It sent him into a flaming rage and they charged fraud and referred the case to the Sacramento district attorney. Poor John Price didn't know what to do with it. He came up to see me. I said, "It's just political silliness. Forget about it." And he ultimately did, although he didn't put it in those terms. [interviewer laughs]

But, none of that was designed to produce an immediate programmatic outcome, although the information system came closest to offering a design for something that could be done that was within the state of the art. It was within the state of the technical area. It was nowhere near the state of the political area in terms of getting local and county governments to feed into state government networks or anything like that.

Fry: Would this have been a better utilization of computer technology?

Champion: Oh, of course. Of course. Among other things.

Data Processing

Fry: I have a note that said that you took a course yourself in computers when you became director of Finance. Is that right?

Champion: Yes. Very early on. Primarily because one of the early sets of decisions I saw I had to make were large scale computer purchase decisions. IBM offered a course down at--south of Palo Alto--Sunnyvale or someplace like that--to which they invited executives of major operations, to spend a week learning about computers generally.

I had very little background, so I went down to spend a whole week learning how you operated them, what the systems looked like, what their future looks like, and so on. But trying to get a notion about a fundamental problem, which is that this is an industry that IBM had dominated. And still does, to a substantial extent. They limited competition because, for a long time, they would not make their equipment compatible with anything else so that if you had basic IBM and you wanted to get something more that was compatible you had to buy it from IBM. You know what that does to the pricing structure. Lack of competition, that kind of thing.

One of the things I learned, courtesy of IBM, was how not to be so dependent on IBM. [chuckles] I became one of the real hawks on diversifying our approach and making sure that when we did buy, that we bought equipment that was compatible with other vendors' equipment so we could get competition into our bidding and processing.

But it gave me my first clear understanding of how useful--clearly, what a role data processing was ultimately going to play in our abilities to do anything any more.

As we got--it was clear, for instance, the Department of Motor Vehicles--one of the areas where I just pressed and pressed--I mean, it was going to become the world's greatest putty-knife factory if they didn't get into computerized systems.

Fry: I judge that even if you couldn't converse with the computers themselves, it did allow you to converse with the computer technologists.

Champion: What do you mean, converse with it? They taught you to play chess games on the computer and do things like that, just to give you a kind of sense of it.

Fry: But in your position, you wouldn't be doing that. You would be having to deal with people who speake computerese.

Champion: Oh, yes!

Fry: Were you able to do that? [laughs]

Champion: Although I've never felt--I've never reached that degree--spent that kind of time. I'm still one of those people who has to deal with those problems through what we call interpreters, in the sense of systems experts or people who spend a lot of time with computers. I think most people who haven't grown up in a computer environment are silly to think that they can-- Occasionally, you get a guy like John Kemeny who's president of Dartmouth and who keeps his own computer in the back room, and who uses it as a direct tool.

Most people who come into it like I did really need to know its potentials and what they think it can do, but when they want the data processors to do something, or when they want something designed, an information system designed or a control system designed, they've really got to call in the interpreters and say, "Now, can you really do this, and if so, under what circumstances?" I don't belong to the generation that can go directly to the computer.

Finance Directors' Ex Officio Responsibilities for State Lands, Building, and Revenues

Fry: You were ex officio on a number of commissions. Maybe we could talk about those. Like the State Lands Commission; that is a particularly interesting one.

Champion: Yes. It was a fascinating one. As a matter of fact, you know, you look back on things and you see places where your ignorance led you into error. I still remember Alan Cranston. Alan and I sat on a lot of the boards together: Franchise Tax Board and the Pooled Money Board and the State Lands Commission.

Of course the greatest set of problems before the State Lands Commission had to do with oil development. I think we were right in Long Beach and wrong in Santa Barbara. It's a classic case of how far you can trust experts. In order to do anything, you've got to trust them, but you've always got to remember how they really said we could be sure that the technology had proceeded far enough so there wouldn't be any leaks off Santa Barbara. [chuckles]

Champion: They were wrong and we were therefore wrong.

Alan, I think, was somewhat better on that than I was. He was a little more inclined to doubt them, but in the end, we both went along and insisted on some more precautions but what turned out not to be enough.

Fry: Who were the experts? Were they geological departments in colleges and universities, or were they--?

Champion: It's like every area. They were the staff of the lands commission which had been dealing in some of these. They were people who were brought in, both proponents of drilling and opponents of drilling, so that I think we had a full range of experts. But it came down to people saying what they'd learned about sealing pipes and so on and could show you a long history of successful experiences.

So we had the range. We had our own staff experts and we had the experts of the companies and the experts of the environmentalists, all of whom were arguing their own cases.

At one point, we were trying to work out the Long Beach situation to, in effect, under instructions from the legislature--we were working on the legislation as well as--I was working on the legislation as well as carrying it out and trying to get the state a maximum share of the Long Beach oil revenues.

There was a certain amount of advise and consent going back and forth, because much of what we wanted to do had to be gotten through the legislature, and Jesse Unruh was the great supporter of the Long Beach people.

And also, you know, we had this subsidence problem down there. So that was perhaps as time-consuming as any of the boards or commissions. Although I spent a lot of time on the Public Works Board--I was chairman of the Public Works Board. There you're really over all the building in the state and even though the university did not theoretically report to us all their buildings, they brought it before us for us to raise questions and deal with. That was part of the legislative formulation.

That's where we dealt with the capitol mall development and all the state colleges. At that point, we were building lots of new state colleges, selecting new sites and things. I guess maybe third in order would be the State Franchise Tax Board, where we dealt with which federal regulations the state would follow, and listened to appeals on major state tax questions.

Champion: There were a lot of others. As I recall, I served on twenty-six boards or commissions.

Fry: There was an article that came out in the California Journal saying that, I think, over a billion dollars had been made in interest by the Pooled Money Investment Board. And this was a new thing. This was an article in October, 1978. It made me wonder what had been previously done sometimes with money that was not at the time being used but was sitting there. I don't know what--you know, you can--

Did you have anything to do with that or was that over in the president's office?

Champion: No, the Pooled Money Investment Board--I think that must have been a cumulative figure because California got its house in order on keeping its money invested instead of just sitting uninvested, much earlier than most states. It really had been in place--it either was in place or got into place--I think it was in place. The devices were the Pooled Money Investment Board, in which we simply bid out state deposits for interest, since before Pat was elected. It may go back to into one of Warren's terms.

But California was way ahead of most states. Now, whether somebody had managed to get some of their funds out of the way, or some new funds had been developed that people then got interest, but I can't believe that in one year, anybody made a billion dollars. It sounds to me like a--

Fry: I don't think it was one year.

Champion: --a summary of the history of the California Pooled Money Investment Board.

Fry: Or it may have been just since Jerry Brown took office or something like that.

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Champion: It sounds to me like a typical piece of Jerry Brown puffery, to be candid about it, for this reason: When you're storing up a huge surplus as was happening with the increased revenues from those short--once inflation started in California, the California split-bracket income tax system produced more money out of inflation than almost any tax system in the country. So that meant Jerry had this great big surplus but he didn't have enough sense to deal with before it became Proposition 13.

You take that amount of money, and you put it out in the pooled-money investment system, you're going to make a lot of money in interest that the state never made before because it

Champion: didn't have those huge surpluses. I don't regard that as particularly meritorious; I regard that as kind of a "What the hell are you doing, storing up all that money there that you don't need?"

Back in '64--'65--when the state was getting hard up and I was pressing to go to withholding and going on the accrual accounting system, I had our people go through every account in the state where the money was slow coming into central position, where it could be invested through the Pooled Money Investment Board, on bids.

Now, I never thought that bidding system was ideal. I thought it tended to be a little subject to sort of implicit understandings among the banks that they weren't going to bid up the price to hell-and-gone. But it was a general bidding for the state's free funds for deposits of the state's free funds. And they paid a reasonable market rate for it. So there wasn't any real chisel as there had been in the old days.

You know, notoriously, for decades, state treasurers put money in banks without getting much if any interest and got campaign contributions in return for that. California had pretty well licked that problem before--at least before I got to be director of Finance. To my recollection it was done in a previous administration.

Fry: Just as a matter of explanation for historians, I was wondering if it's better for the state to invest the money that it doesn't instantly need or let banks and industry and business hold their tax payments until needed. Has that ever been done?

Champion: Hold their tax payments! Then the banks would just make the money.

Fry: Well, on the theory that this would stimulate private investment and therefore give more jobs.

Champion: You should know where I stand--I think all of that line of argument is an excuse to make the rich richer and the poor poorer. It is always, "Let us use your money to enrich ourselves so that we can help business." I've always regarded that as the absolute argument of a scoundrel. I don't care if it was the Kemp-Roth tax bill--it's all trickle down theory.

As a matter of fact, at any period of time when that's been argued, the end result in this country has been for the rich to get richer and the poor to get poorer. This notion of taking--I would much rather leave those tax dollars or take fewer tax dollars out of the lower brackets and let the people participate and stimulate the economy through purchase than this business of subsidizing the rich to make more money.

Champion: There is something to finding a method of capital investment or to encourage capital investment. But I don't really think it belongs in making a gift of public funds to the people who are going to do it, so that they can get richer. There ought to be-- when that is done, there ought to be a return to the public, to the people who make the investment.

Nothing appalls me more than this notion--I regard it as one of the great con games of history! It goes on and on.

Tax Withholding and Cash Flow

Fry: Let me ask you about another con game. Is it true that a tax increase was avoided by Pat Brown one year, because he got the insurance companies not to hold their taxes, but to pay them early?

Champion: Yes, as a matter of fact, but we always asked the legislature for taxes first. You will not find any time during the time that I was the governor's fiscal representative that we were not asking to get some taxes.

Fry: Tax increase?

Champion: Tax increases--that we needed more taxes. We were being denied them by the legislature every time. So that we were trying to find ways to sustain the level of the state's programs in a period of great and rapid population growth. One of our problems was that we didn't so we needed more cash flow--we needed to get the dollars earlier through income tax withholding which almost all other states had, but we didn't. It was not a problem of the taxes not being high enough. But the legislature understood that if we got withholding, that we wouldn't have to keep coming to them with tax requests, because it would have speeded up our cash flow.

I argued with Cap Weinberger all over the state of California on this. Cap was a smart fellow, but he also has some ability to be intellectually dishonest. This is a perfect case in point. It was disgraceful that in the 1960s, anybody should be arguing about the withholding tax in California. We were one of the last states that didn't have it.

We had this huge annual increase in demand of people coming into the state. We used to figure that every person that crossed the state's border cost us \$13,000 in the first year. You know, in capital outlays of one kind or another. And without withholding

Champion: tax, we didn't get any dollars from that first year at all. It's like delivering the milk for a year before you get paid. It's like throwing the paper on the porch for two years until you get paid. It's absolutely ludicrous!

Yet, the legislature, year after year, denied us the withholding system. We tried to get people to advance their taxes, to pay us on a current basis. It isn't as if the business on which they'd done the taxes hadn't already been done--as if they hadn't already earned the money. They had. And the services had been provided. The only thing that hadn't happened was that we hadn't been paid. So you get the scandalous notion that we were trying to borrow on taxes in advance, when we were just trying to get our taxes paid on a current basis.

What happened was, you know, Reagan came in and he said, "Taxes ought to hurt and therefore you shouldn't have to withhold it"--these are the kinds of things that made me feel much better because I'd moved out of the state; I didn't have to listen to it every day.

I only heard it when Pat called me up long distance. [laughingly] "Do you know what that fellow said today?" He was much more pained for the first year or two than I was because he stayed there and lived through it.

Reagan played that game for a couple of years and got a big tax increase, which was not really necessary. He said it was necessary, but the only problem was a cash-flow problem. He wasn't collecting the taxes until later. So what happened? The history of that, in its simple form, but I think in its honest form, is he got this--which he said, "We have this huge Brown deficit" which was a cash-flow problem--no question about it, but was not in any sense, a real deficit.

Once he'd gotten that money, then he slowly eased into withholding. So that he never had to have another tax increase during his time. Although as you look at it, his budgets went up at the same rate or greater. But he was able to blame his only big tax increase on Brown. He gradually put in withholding so he got the advantage of the better cash flow, and he turned over to Jerry Brown a \$600 million surplus. Which is pretty close to what he had raised taxes when he first came in, simply because in the interim, he had gone to withholding. He had also gone to quarterly payments of those business taxes you were talking about.

Fry: And you never did go into quarterly payments of business taxes.

Champion: We tried. I don't know whether we got any of that or not. I don't think we did. I think we were denied any formal authority. My memory is not too clear on that. We may have gotten some. God knows we tried! We tried every way we could to get people to pay us taxes at the time, or close to the time, when the services were delivered.

But by this time, Unruh and the Governor were split and Jesse was not above politically embarrassing the Governor, and also a lot of businesses and others didn't want to do anything about it.

Tax Reform

Champion: Now, one of the things we hoped to accomplish with that was some property tax reform. And actually some got done later during the Reagan administration as he put in this. He did get some property tax reform.

Fry: The whole tax picture there, around 1964, '65?

Champion: Right.

Fry: It's unclear.

Champion: If you'll look at the--during those years--at the Governor's messages on withholding and accrual accounting and the things we did to try to lick that cash-flow problem, you get a pretty good history.

Then you will find in the '66 campaign, sometime in the middle of the campaign--in the fall--a full proposal by the Governor for using withholding to provide property tax relief, of certain types.

If Martin Huff is still there in Sacramento, Martin can give you chapter and verse on that over those years.

I had planned to leave government at the end of that term, win, lose, or draw.

Fry: Sixty-two?

Champion: No, '66. The end of the Reagan campaign. Martin Huff was my closest aide in planning and budget estimates and he would have been my suggestion as a successor.

Fry: I wanted to ask you a few more questions here on some of the outline questions on revenue. There was a lot of talk about--in fact, it was on the ballot, lowering the state sales tax by one percent and--

Champion: Lower?

Fry: Yes, they put it on the ballot and it was voted down.

Champion: Yes.

Fry: Then there was the Unruh-Petris tax reform act. I don't know where you stood in relation to that.

Champion: That ended up being a compromise. We introduced one set of tax proposals that year, as every year. Some of it got approved in the assembly with Unruh and Petris, and we compromised some with them, and we just got beaten on some of it. Some of it were things that we wanted.

Then it went over to the senate and we had another big to-do about it over there. The whole thing almost got beaten over there. People like Eugene McAteer and George Miller.

Fry: They were opposing something about it.

Champion: It got to be such a mix. But the Unruh-Petris Act was not what we had proposed.

[The following portion of text is under seal until July 2, 1999]

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Champion: It was what we had to take in lieu of getting anything else, and we didn't think very much of it, either as a reform act or as a--Jesse, in my view, was--he's still politically active--I--

Fry: Do you want to put it under seal?

Champion: Yes, why don't you. He acted very much as if he were an agent of the large retail store establishment. He certainly worked very closely with them, so that the bill would help them, whether it had to do with business inventories--certain kinds of business inventories got greatly helped in the process of that act.

Champion: Every tax act is known as a reform act. Usually it goes in both directions at the same time and usually more in the regressive than the progressive one. I'm very cynical about any tax reform that's been passed in the last fifteen or twenty years. It usually is at the expensive of people who couldn't afford it to help people who could afford it. That's my general recollection.

But people who have executive positions have to take it because they have to have enough money to run the government, particularly in a state where you have to have a balanced budget. It's one of the places that the lower middle class in this country--low-income middle class in this country--has been penalized, because in order to get money to take care of the very poor, the well-to-do have had to get their piece of the action.

It was a trade-off that Lyndon Johnson made and it's a trade-off that's been made again and again. Some of that resentment in that group of people is not unwarranted; it is warranted.

Fry: You're talking about the middle class.

Champion: Yes. The salaried employees above a given level.

Fry: Was there any effort or thought given to not having a sales tax at all? Because that's one of the regressive taxes, isn't it?

Champion: No. I'll tell you--it depends on what it's on--it's like a lot of slogans. There are some sales taxes that are perfectly legitimate--to tax things that--

Fry: --are luxuries?

Champion: Not just luxuries, but normal capital goods that are-- It is not unreasonable to tax levels of purchasing to some extent. But you stay away from real essentials, like food, clothing, et cetera.

A lot of the early cry that sales taxes were wholly regressive I think is pretty much discounted by a lot of authorities. But it depends on the design of it. There are two things you can do: You exempt the necessities and then if you give people back a credit--lower-income people--a credit back against sales tax, you can take almost all of the regressivity out of the sales tax.

There isn't any question that it is somewhat easier to collect; that it is a less painful tax in the sense that you can get the society to consent to do some things with sales taxes that you can't get them to do in terms of income taxes. Because

Champion: they're looking at them in terms of acceptable trade-offs instead of listening to a lot of nonsense about the level of income tax.

If you do it right, it is a practical, useful tax and need not to be regressive. In a lot of places, it's been used in a regressive way.

Fry: Is that what you were trying to do in your tax reform act?

Champion: I was trying to get withholding tax above all. Trying to get enough revenue into the state coffers to stay even and, fundamentally, the notion was to make the tax collection system follow more closely the performance of services. But by the time they got through with it--and some help for property tax, which is a proportion of tax support--the system was still out of synch.

The tremendous growth of the cost of schools, the cost of local activities, which under our tax structure were strictly supported by property tax. And property tax was never designed to support that level. I mean, that wasn't the right way to raise that much money. Either income taxes or sales taxes were preferable to raise that kind of money. So the property tax revolt, particularly in spite of people who kept saying, well, the value of the property is going up--which it was but for old people who just wanted to live there--didn't want to sell it; wanted to have a place to live--that's no help!--and it was in that sense that we offered several proposals to try to ease that.

Basically the two objectives were to try to make the property tax fairer and more in keeping with its original role and proportion, and the second was to get the other taxes collected on a more current basis, so that we didn't have to have new taxes. We could, instead, collect the current taxes on a timely basis.

Revenue Estimates and Budgets: Law of Compensating Error

Fry: In estimates of revenue, there are the objections that the figures keep changing.

Champion: That's a lot of malarkey.

Fry: Well, why do we always have such widely varying estimates?

Champion: Because you are trying to guess--you're trying to estimate a year ahead of time--sometimes eighteen months ahead of time, when you start out, how a lot of complicated sectors in an economy are going to behave in the next eighteen months--and nobody knows. All you can do is go by past history.

As a matter of fact, during the time I was there, I don't think we ever missed by more than three percent. Now three percent is a lot of money in a \$5 billion budget. Everybody says trying to figure out what an economy is going to do eighteen months ahead of time with a three percent margin of error--as far as I'm concerned, is a real achievement.

The guy we had--our chief estimator--a guy by the name of Ralph Currie, was an absolute wizard, unbelievably knowledgeable about how different factors would come out. We would have a meeting every year before we went into that process, with the leading economists, the banks, the universities, and so on. Robert Aaron Gordon used to chair my advisory group on revenue. It was the cleanest, fairest, most expert process with which I was acquainted in California, that I've seen before or since. It is pure political hog wash--the raising of "Oh, they keep changing the estimates around all the time." Of course, you change the estimates around.

Somebody closes the race tracks for three months. Or people don't have much money and they don't go to the race tracks. That changes that one. Sales tax goes like this [gestures up and down]. Depending on levels of employment, income tax goes all over the place. There are different kinds of exercises that are involved in all that, which demand various adjustments.

As a matter of fact, the thing that really protects those estimates, given all the attention and care they get, is the thing that saves the world: the law of compensating error. [interviewer laughs] Because we get a big swing up here--

Fry: And then the bottom will drop out somewhere else.

Champion: That's right. And so you tend to come out better overall than your guess on any particular kind of revenue. But Jesse and other people demagogued it, you know, they're trying to give us--everybody's jockeying for position as to how much money you can spend in the budget and so on.

So who do they play the games with? The poor revenue estimators. Actually, estimates have--people are loony about budgets. Budgets are estimates, many of which are not sums which are carefully parceled out, line by line, at certain cost.

Champion: They are entitlements to people; sometimes they get, for instance, a welfare entitlement. People who earn so much money get so much, and if there are a lot more of them, you pay out a lot more, and if there are a lot fewer, then you don't; and you don't know.

One of the great public misunderstandings in this country is that somehow people think budgets are real in the sense that they reflect actual dollars to be spent or not spent. Revenues are actual dollars.

Anybody who will look at any budget at the time that it's passed and what has happened at the end of the year to the amounts budgeted and actually spent would understand what budgets are all about.

Fry: At best, they're estimates.

Champion: No, they're all estimates.

Fry: In this whole budgeting process, what was your working relationship with Alan Post and the Joint Legislative Budget Committee?

Champion: With Alan Post, very good. Alan was a real professional. We disagreed on some things. But he understood the--as a matter of fact, I think our experience in California may have led, in substantial part, to the congressional budget office establishment.

Fry: Really?

Champion: Yes. I think it was widely regarded as a model in the country. Alan Post deserves a lot of credit for that model. It is very tough, year after year (sometimes with Democratic chiefs; sometimes they're conservatives, sometimes they're liberals; sometimes they're Republican) to even-handedly try to assess what are the major issues in each budget, what are the real choices before the legislature. And to analyze the executive budget. I always thought that the California committees, appropriations committees, finance--had better information before them when they made decisions than the Congress does or that most other bodies do, because they had a representative from Alan Post's office; they had a representative from the Finance office; they had a representative from the particular programs involved.

And they really got a better, more professional view from different points of view than anybody else. I have a lot of respect for that. You know, I thought some of his people were better than others; I'm sure he thought some of my people were better than others.

Champion: But the fact is I think it was a very stabilizing, useful influence. Alan and I were good friends and I think had mutual respect for each other.

Fry: In your relationship with your own department, how did you arrive at your budget estimates with each department?

Champion: We went through their programs. We have analysts for each department and we would hold budget hearings with them, and hear out their case. In some case where they said they had a bigger workload, we'd say, well, isn't there a different way to handle that workload, and so on.

Each year, I would send out, after a preliminary round, what we called allocations, which were sort of allotments, tentative allotments, to each department. We looked at the revenue situation; we figured we were going to have about this much money and so, based on that, we would give them some general theories of what their allotment would be based on.

Then after new later estimates we had to adjust and then we would ask them to come in with budgets that would list items both above and below their allotment line, in order of priority, so we could look at what were their priorities above their allotments, and what other departments were, below their allotments, and move those allotments around a little bit.

Then we would have appeals. We would issue our decisions along in September or October, and we would have appeals on that. Then I had a rule that any department or agency heads that wanted to appeal what we did to the Governor would have his own hearing with the Governor. The agency head could set the agenda and raise whatever questions he wanted to and then we would have to respond and the Governor would make the decision.

Fry: Was welfare one of your most sticky ones? We've got some notes here on a brouhaha that happened about it.

Champion: Yes. Because once a decision had been set, then that was the administration decision. Some of the people--and we maintained legislative discipline, that is, once the executive budget went up, everybody in the executive department was bound by it. We didn't want these situations where individual department heads went up and lobbied to get their own way. There are subtle ways of doing that and there are blatant ways of doing that. [interviewer laughs]

Champion: But we had repeated problems with the welfare department and we fired a welfare director, who was not otherwise a bad guy, by the name of John Wedemeyer. He repeatedly violated budget discipline by encouraging legislative committees to give him more money than the executive budget suggested.

Fry: What I have here is that in 1965, you told the legislature that welfare costs would be \$16 million above estimate. Then on May 10th, when you regularly gave your revised budget estimate, revenue was revised upward, so that a tax increase wouldn't be needed.

Champion: You mean an advisement.

Fry: Yes. So a tax increase wouldn't be needed, I guess, to cover the welfare costs. This was also when the Unruh-Petris Tax Reform Tax was launched. Somewhere in all of that, Senator Mills got angry and questioned your estimates.

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Champion: I suspect the Mills thing may have been the emphasis that I've talked about, where I said I want to know what the facts are, even if you don't, or something like that.

But I can tell you we never juggled estimates to try to make the budget thing work. Our estimates were the best we could arrive at and that was pure political hokum to allege that we were manipulating the figures; we were not. But that charge came up more than once.

Fry: It seems to come up a lot.

Champion: And it came up after we left--the same allegations were made against Reagan's budget. I remember Hugh Fluornoy called me up once, just to laugh about the thing.

Fry: [laughingly] Oh, really? Under Reagan?

Champion: Under Reagan. I knew Hugh pretty well. As a matter of fact, a guy worked for me who became Hugh's deputy when he was controller. Fellow who's dead now, actually. His name was John Sheehan. Sheehan and Fluornoy said that the legislature had charged the Department of Finance again with manipulating estimates, and that the controller, who was in charge, should get an independent review of this. And Hugh said, "How would you like to come back and do it?" [laughter]

But we were just kidding about it.

Senior Finance Department Staff and the Reagan Administration

Fry: Were many people carried over to the Reagan administration?

Champion: Almost none, but the Department of Finance is a very civil service-oriented thing. I think there were may be not more than three or four--when I first went there, I think there was only one other gubernatorial appointee in the whole department. One of the things we did in the reorganization was that we provided for some more gubernatorial appointments in the major departments. We went from, what--two to five, or something like that, in the chief departments.

Very few of them stayed on, but since so many career people were involved, a lot of the same people who worked for me worked through the Reagan years. Some of them, because they had worked for us, were not given as much responsibility during that time.

Roy Bell was a classic case. He was sort of my right-hand man, although I think technically, he held the third spot in the department. I had a deputy director who was appointed. The first time it was Dan Luevano, who had been appointed by John Carr and stayed on under me, and then he became assistant secretary of the army for logistics or something.

Then Jack Sheehan took his place. But they didn't carry any very heavy departmental management policy load. My real right hand in running the department was Roy Bell, who became director of Finance under Jerry Brown, during his first term. He was a civil servant and he was there during all of the Reagan time, but they didn't use him very much. The budget director was Ed Beach. Ed Beach, I think, was the budget director throughout Reagan's time.

Fry: And also in your office?

Champion: He was budget director when I was director of Finance; then he remained budget director. Ed was a very able guy. He just retired last January [1979].

Bob Harkness, who had been the chief deputy, was made director of General Services when we split it off. Then he retired from that job. He did not stay on in the Reagan administration. He had a health problem, but by that time he would not have stayed on.

There were very few people who stayed on, and generally, I believe that's right. The question of how you handle top civil servants who take on major responsibilities is difficult, but California's pool system works pretty well.

VI GROWTH PROBLEMS OF THE 1960s

Government and Economic Development

Fry: Was Harold R. Walt under you?

Champion: Hal Walt? Yes.

Fry: As deputy director?

Champion: No. He may have had some title. He was director of economic development, or something like that. He may have been deputy director for that--for one function, like economic development.

Fry: This note that--

Champion: He was no great shakes. He was all right, but--that's a tough area in state government. We tried at various times to do something with economic development. It's kind of a mixed bureau--promotion, education--but what I became convince of in that process is that the things that bring industry into the state or produces economic development are basically the facts of the case.

We did some surveys and California's greatest attraction was, one, that we had a high level of well-educated--relatively high-level work force--well-educated, and we attracted people who wanted to come out to California because our school system--both elementary and secondary and higher--had a good reputation across the country, so people would come knowing there were good schools all the way.

Fry: And not pay the high tuition.

Champion: And not pay the high tuition. Now, the fact is that California was a relatively high-tax state, but every time we used to do a survey of those things that had to do with location--business or

Champion: industry--the level of the work force and the level of the education in the state always came out as being more important than the taxes. Taxes were always fourth or fifth on the surveys we did.

Economic development will always show up in clips and speeches because business groups and so on always want you to talk about it, and there is some activity there, but it is almost disproportionate. It's usually there's a lot more said publicly than really done in government about that, because there are a limited number of things that government can do.

There are more now that there are so many environmental concerns; now that government interposes more restrictions and inhibitions, government can do more to help, but it is usually by constraining its interventions that it can help.

Fry: Wasn't there some kind of an agency put in, or an office put in, for planning and development under you? Usually those offices make the business and industry community very jittery. Especially if it has the word planning in it.

Champion: There always was an office of planning. A state like California, growing as rapidly as it did, you've just got to have it, and you either plan it or it happens through your capital budget. We brought that off, some planning, next to our budget process--to work with our budget process on the capital budget.

Business got along pretty well with that office. As a matter of fact, the two people that I remember leading it were both people who came out of business who were well-respected in California business. One of them was a planner for Pacific Gas and Electric Company. I forget their names.

Fry: But both from the business community.

Champion: Yes. And it worked with the Office of Economic Development, and it worked with people like Hal Walt who came out of some aerospace firm, as I recall--and Ray Lapin, who was a mortgage banker. We never had any protests from business about that. As a matter of fact, I think they thought it was appropriate.

Fry: Would that be who the people worked with when you gave the \$250,000 contract to the aerospace--?

Champion: No, I think that came later. I think Walt may have been there, but I'm not sure.

Fry: I never did ask you what finally happened with those studies that were made?

Champion: They all got brought in. They all got examined. Some things were suggested as a result, in legislation. I particularly remember several proposals were made in terms of how you handle the courts and probation. I think the proposal actually went to the legislature on some improvements in the information system approach. I don't think they were approved.

But bits and pieces came out of those investments and proposals--and I think they also were useful in looking--I know that they included some of the transportation planning in the state. They rejected some things and accepted some others.

Fry: I was wondering how you would evaluate that?

Champion: It was a good thing to do. You spend a million dollars. You spend it in a trust. You've got about--I think we figured that we got at least \$3 million worth of talent and effort with some different perspectives, and a systematic look across the kind of things government does.

I think in the welfare area, the transportation area, the information area--maybe the criminal justice area--I think we got useful proposals and approaches. They were all, given the nature of the thing, they were like the kind of thing you got off early in the space program--they were not things that were immediately applied, but gave people a pretty good idea of some future potentials and things they ought to look for. I thought it was a good--

City and County Government

Champion: The greatest failure for me was that we did not pay enough attention to the state's relationship with local and county governments. They were very powerful elements in California. They had sort of their own agendas. The League of Cities particularly had very intelligent leadership. But Carpenter and his predecessor--what was the name of--Dick Graves.

Fry: Dick Graves.

Champion: Dick Graves and Bud Carpenter. They produced a lot of good people. A lot of good governmental leadership.

Fry: And you didn't use that?

Champion: We didn't use it enough--we didn't work with it enough. It was one of those things where you need to go beyond--you know, "if it works, don't fix it," is not really a good way to look at the longer term. By the time you get through with eight years, you saw some opportunities that were missed because we weren't thinking enough about the structure or responsibility to local government. It caused some growth problems that California need not have had. Each of them were making intelligent decisions for themselves, but in terms of getting a better handle on growth in California and preventing some of the urban sprawl problems, and--

Fry: Land use.

Champion: --land use, and so on. We didn't do a good job. We were not aggressive enough. We didn't push hard enough. Those people had their own agenda, and basically, we just sort of treated the-- and I think the leadership was there to do better.

The leadership in the counties, on the other hand, we knew wasn't that good. But we never really confronted it politically. There was an opportunity missed in the case of the cities, and it was a problem ignored--not ignored, but not given enough attention in the case of the counties.

If I went back over all the areas in which we operated and did things, I generally take the very same view of most of the people in the things we chose not to do. But that one is an area I really felt we missed. At that time, I had never been in local government, and Pat had only been a--

Fry: District attorney.

Champion: --district attorney. I don't think that any of the people we had had the kind of experience in municipal government. But the expertise was available to us if we had gone to people like Graves and Carpenter, to do some things there. And we did talk to them and got along with them well, but we really weren't aggressive, I don't think.

Fry: You didn't really try to draw up any creative planning or to take up a larger role?

Champion: We did a couple of land-use bills and we did some other things, but we didn't really go after it that much.

Fry: This was also in the era of when the cities were exploding with the rise of the minority groups--

Champion: That's our excuse is that--well, it wasn't just minority. During that time, California was growing at the rate of 500-600,000 people per year. It was the greatest human migration, really, in the history of man. We were so pressed by the problems of providing enough water, providing enough schools, of financing all the growth.

When I talked to Jerry, when he was getting ready to take over after he'd been elected, he started giving me a lot of junk about he wasn't going to spend money the way that Pat had. Then we had a discussion about the budget and the university. It was the last time that he called and asked me for advice, because instead of advice, I gave him a piece of my mind. We've talked since then about other things, but just general things in the past.

It was a very different time and a very different set of urgent priorities. A tremendous assimilation of people and problems. You'd like to think that if you did it just right, you would have done a better job on the long-range planning.

Politically, I don't know how much you could have done. You certainly weren't going to get permission to tell people where they ought to live when they came to California. What you had to do was to find ways to get water to them in the south, and to build schools to deal with the situation around the state as it developed, both public schools and state colleges and even some of the medical schools.

So that it was very much a builder's time, and that's where all our real energies went. And I think we made some mistakes in that, that we did not do enough planning for a longer view.

Fry: Well, you know, the counties had to have their master plan. I wonder if the state had been more active in all of that, if the counties would have stood for it. How could you?

Champion: Oh, they wouldn't. But we should have fought them harder. We didn't. You know, you try to decide where to spend your political chips. When you're trying to get taxes to meet these new demands--when you're trying to reorganize the state government to deal with a suddenly greater problem in size--and when you're trying to get the services in shape to deal with burgeoning populations and wants, and some of them where quite clearly the service system had broken down--there are some things that you don't do.

Fry: And you found out too late.

Champion: And you found out too late how important they really were and that if you had looked at it in a more than crisis-oriented situation, you would have done it--

My sort of just general view is that that's the area in which we were least effective. How much more effective we could have been, I don't know. It was very clear that every time we tried to do anything with the counties, they fought us tooth and nail. They really took a very devil-take-the-hindmost view of planning. I think we would have gotten more help out of the cities, as I said, I think, except in L.A., which was under the benighted leadership of Sam Yorty.

California Water Plan

Fry: You mentioned bringing water down to the south, where so much of the migration was. It reminded me of another question I wanted to ask you. The funds for the California Water Plan--a lot of them came from the oil royalties from the off shore oil leases.

Champion: Oh, some, but not--

Fry: Once the bonds got started?

Champion: They weren't critical though. I mean it was a good place to spend the money in order to have the south help the north with something when the resources were in the south. But they were not critical in that the bond financing was the critical element.

I'll tell you a story about the bond financing. We started out with a relatively small bond issue. It was clear it was never going to go any place, because it wasn't enough to make the bargain between the north and the south. And it wasn't large enough to capture the imagination required to see this huge thing through.

And everybody always knew that it was going to be long-term. It was going to be a very expensive project. It's like anything that takes ten or fifteen years. You can only project with any accuracy the expenditures for the next three years.

That was one of the major preoccupations of the Governor and me, who spent a lot of time trying to put that deal together. So we came up with--it was in '60, wasn't it, that we had the bond issue.

Fry: Fifty-nine, I think, really--

Champion: Well, no, because it was the same night that Kennedy was running against Nixon. Or was it '60?

Fry: Oh, you mean on the ballot!

Champion: The big--yes--what year was the bond issue on the ballot? Was it '60? Yes. My feeling was the only thing that took longer to figure out on the vote count than whether Nixon would beat Kennedy in California, was whether the water bond issue was passed.

One of the great struggles during this, was the Metropolitan Water District in L.A.: whether they were going to support the bond issue or not. It was always the tilt, first the north would say you've done too much for the south; then the south would say you've done too much for the north. So all through setting up the bond--the bond issue was the great notion--making it larger because we wrote into it the commitment to both north and south that became a contract. Once bonds were issued, that meant that both sides had to follow through, and that was all the guarantee that either side had.

One of the significant things of the bond issue was not just the money, but the fact that it became a contract with the bondholders.

Fry: At the time.

Champion: At the time. The conditions were endlessly negotiated, and they kept trying--both sides kept trying to add conditions all the time. About two or three weeks before the vote, the Metropolitan and the other southern California water districts still had not endorsed the bill. Well, if we couldn't carry it in the south, we knew it was going to run behind in the north--it had to have, since it fundamentally was to get water to the south, it had to have more support in the south.

We were terribly worried that the Metropolitan Water District did not endorse it. And they were demanding additional conditions, which we were afraid would blow up the north.

So we ran a poll that showed that it was leading by enough margin that we didn't have to give in--we thought we didn't have to give in to the Metropolitan Water District. We had one last meeting with the leadership of the Metropolitan Water District, the Governor and I, about two weeks before the election--about whether they were going to endorse it or not. They made some demands. We said we won't meet them. We think

Champion: you ought to come out for it anyway; we think it's going to win, but if you don't endorse it, in the long run, it is not going to be as advantageous to you as if you do endorse it.

And we gave in on not a single one of their demands, because we had that poll in our pocket that told us we had enough votes. They did endorse it. They endorsed it the following day. And it won. But it won by such a narrow margin that we were absolutely convinced that if they hadn't endorsed it, it would have failed.

We played poker thinking we had at least a straight and it turned out we had a pair of deuces.

But that kind of event and the judgments that you make in the course of them really have an enormous set of consequences. The bond issue might very well have failed.

Fry: Who all was with you in the negotiations?

Champion: The only other guy who I remember is an old friend of Pat's who was a water lawyer in southern California. Pat would remember, his name was something like Tillman.

There were a lot of other people--the former mayor of Los Angeles, Norris Poulson, I think was a member of the Metropolitan Water District board at one time. I don't remember. He was involved. We lobbied almost every member of that board. [interviewer chuckles].

Fry: These were negotiations for the terms of the contract? Is that right?

Champion: Yes. What was to happen when the bond issue was passed. I don't remember the details.

Working at Federal Funding: Employment, Welfare, Medi-Cal

Fry: Let's see, there was one other thing that was noteworthy, especially noteworthy in that era, and that was the large expansion of federal government money that went into California. It came up to more than \$2 billion during your time. I think, too, that the man who was in Washington as a kind of lobbyist for the State of California, was under you. Irving Sprague?

Champion: Irving Sprague. Right.

Champion: First it was Tom Bendorf and then Irv Sprague succeeded him. And California congressmen were involved too. Yes. The State of California did marvelously well during that time. We were on the lead edge of so many things that were being tried. Not only the statewide water project, dams and that kind of thing, which was somewhat more traditional in California, but all of the social programs.

Therefore, every time the federal government made another step, California was ready; had the programs to receive the money. We were the first people to get money out of the poverty program. We had a Job Corps camp--because we worked at it. We kept in touch with what was going on, what was likely to happen, and we got ready. Or, if we were going to do something, we looked to the federal government for fund sources. We were famous. We were the sons of the New Frontier and the Great Society. We were in these programs, doing these kinds of things, or ready to do these kinds of things, almost every time a new program appeared.

The brochure that sold the Job Corps to [Lyndon] Johnson was a brochure made of a camp we already had in being in California.

Fry: Under California Forestry?

Champion: I think that's who was running it. I'm not sure where it was run.

Multi-service centers. When Johnson made his speech announcing the federal venture into multi-service centers, which never really did come off, but which he announced and said they were going to do--he was working almost entirely off the California experience.

Fry: What's a multi-service center?

Champion: We did a system in the last couple of years of the Brown administration of trying to bring together in one place in various cities around the state, services that touched peoples' lives directly.

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Champion: Multi-service centers, we developed the concept after Watts, when we looked at how many different state services, theoretically, went into Watts, but without doing the job they were supposed to. We found that one family would be impacted by the employment services, by probation services, by social workers or AFDC--that we frequently had four or five agents of the state operating at the end of long lines; nine or ten levels of service delivery supervision into one family without any coordination or any understanding as to what one or the other was doing.

Champion: So that it was not only an attempt to provide a place where people who were involved in a number of state services could go--if it was employment, or health, or welfare. But also, a place where the people who delivered those services would be grouped together and could treat people's problems on an overall case-management situation, rather than just making these frequently conflicting entries into given family situations.

We didn't have very much time to put that in place. It looked to us like it was going to be a successful experiment. We were modifying it as we learned, as we went. But Reagan came in and, in effect, pretty much dumped them. There may be some physical remnant left of them, but as a concept, as a way of dealing with people's problems at the end of the delivery line--it was dumped. We had gotten the federal government to put Social Security offices in and so on, so that people could look at the range of services in one place, and so that the people who performed them would get to know each other and their common problems. That was the multi-service center.

Well, Johnson propounded that, and Congress put up some authority and some money to do it, but it foundered in the federal bureaucracy along with Model Cities and it never got put together in Washington.

I was just using it as an illustration that we were trying a lot of things. We were, in fact, performing one of the traditional roles of states, that of being experimenters. But we also had our eye very keenly on the watch for federal programs which we could use. Generally, when you set up a new federal program, they are very eager to make some early progress, or to show that they are in action, and they could always come to California and get early action, whether it was migrant education, or whatever it was. If they wanted to spend some money, we'd tell them how to do it and make it easy for them.

So the volumes of federal money that come into California, I think were unprecedented. I think we did more. We, candidly, had a very good reputation in Washington, and we had very good people representing us, particularly Sprague, who was absolutely remarkable. If they wanted to turn loose some land out in California because they wanted to close down an army base, we didn't waste our time arguing about closing down the army base. We went and got that land. We knew it was a lot more valuable to us.

Champion: UC La Jolla [San Diego] is built on what used to be part of Camp Mathews and some other thing. A couple of state colleges are built on former federal military bases. We'd come back and work out the problems. So we had a very productive and useful relationship with the federal government during all that time.

And federal money became very important, but it basically didn't pay for any of the things that we'd done in the past. It basically paid for new areas of activity.

Fry: What about the OEO that came in about this time?

Champion: [shuffles through papers] Those things must be here. I think we got early poverty money in the migrant area. We got youth-employment money into Los Angeles and elsewhere. I think we did very well.

The Job Corps was part of the War on Poverty.

Fry: An article I read contended that states generally feel that the controls are too restrictive--controls that come with such--particularly grants-in-aid programs. Did you feel it was very difficult to administer these things because of the federal controls?

Champion: There was some problem--and it got worse later. It was not bad for us during this time. It was still too early in the programs. We were out in front. We were, in effect, telling them what we thought their standards ought to be. They generally trusted us to go ahead. And the administration and the relationships were much more open.

Later on, when you got to the case of things like Model Cities and so on, it just got hopeless. By the time I was in Boston, running the Boston Redevelopment Authority, federal restrictions and conditions and requirements had been burgeoning for four or five years, and they had gone overboard and they were too restrictive.

But in those days in California, I didn't find that too many restrictions came down the path. I can still remember having arguments with HEW. I think Wilbur Cohen phoned me once and told me I couldn't do something we were doing in California. I said, "Wilbur, you're not going to cut off ten percent of the population." He said, "No, I'm not." [interviewer laughs] I went right ahead and did it.

Fry: [laughingly] So your advice would be to acquiesce and somewhat ignore, on the grounds that California's a powerful state?

Champion: Well, [pauses] that's not my advice. In those situations, it was--you know, we were developing, we were ahead of the wave. I don't think you could get away with that any more. Although it still is true that the states may have a more independent relationship, and frequently laws that require them to pay penalties or meet sanctions don't get levied because when it comes right down to it, they always have the ability, politically, to come back to the Congress and win relief of some kind or other.

We have programs today that the states are doing a bad job on. We try to go after them and penalize them in some way for their failure but the Congress won't let us. So the federal balance is still there. The federal government can't--the federal government tries to do far more than it should in terms of directing the states precisely how to do things.

Fry: And limiting the ways in which it can be spent.

I wonder if we could just take a case here, such as welfare. I understand from Gabrielle Morris' notes that there was--that in California, for instance, there was some liberalization of welfare-recipient qualifications on the state level that were more liberal than federal level, so that the people in federal welfare programs, I guess--how did you administer that?

Champion: I don't know precisely what she's talking about. Early on, basically, the problem was that when the federal government would come along and do something in the area that we had already been in, the fundamental approach of the California legislature was to put that on top so that whatever the federal government did went on top of what California was giving, so that California always stayed ahead. Now, that was an argument in the legislature. Where we were not always in agreement with the legislature--Phil Burton was the great welfare expert in the legislature. He frequently would persuade them to be more generous than the state administration proposed. So that we were quite often splitting the difference. We were more liberal than the federal approach, but whenever the federal money would come in, we wanted to use some of it to recognize that California was ahead and so that we should keep some of that money rather than--

But he almost always got provisions, first in California and then later when he was back in Congress, that made us pass it all on. Frequently Congress made that decision: in passing the federal program, they would provide that whatever happened in the state that was already performing at a higher level, that it would go on top, so that the state couldn't keep any of the new federal money. That was Phil's game at both ends. Even so, that was always the Brown administration posture. Some of these pass-ons we supported. It depended on the levels that people were getting and whether we thought they were adequate.

Fry: One normally thinks of the welfare department as handling benefit payments. But it looks as if the Department of Employment had larger sums of federal money. Is that true?

Champion: In terms of unemployment compensation?

Fry: Yes. And we wondered how those two went together, if they handled--

Champion: When there was high unemployment--you don't pay welfare money to people who are on unemployment comp. And there was one period of substantial unemployment during that time when unemployment would carry most of it.

But in terms of job programs and things like that, the Department of Employment also got some substantial grants.

Fry: What about the money that came in on medical programs and health?

Champion: That came in towards the end of that time. We started out with what we called Medi-Cal, and I think this is still true--states like California and New York viewed a much larger part of the population as needing help with medical expenses than just the welfare and the categorical welfare populations.

Fry: The took in some of the middle class too, right?

Champion: Well, not very far they didn't. Not the middle class. You should see what some of the states do on Medicaid. They give it only to AFDC or SSI recipients, categorically. In fact, most of them do just that to try to hold down their level of support as much as possible. As a result, there are an awful lot of medically-indigent people in the country. California and New York and some other states have tried to deal with that problem, at least in part. That's why those programs are much more expensive in California and New York than elsewhere.

There's also been a certain amount of ripping off by providers. But the fact is that--those programs were in their earlier stages. They were growing rapidly. But the time they really took off, and I think got out of control, was when Reagan took over. One of the things that I argued with the transition team, and Cap Weinberger was a member of the transition team, was that they should continue to bargain with the providers--the doctors, the hospitals, the ambulance people, and so on for the fees for people who are publicly supported.

Reagan had campaigned on turning all that over to the third-party commercial carriers, or Blue Cross-Blue Shield. That's what the Reagan administration did. If you'll go back and look at

Champion: the history of that time--as a matter of fact, it may have been the thing that got Gordon Smith, the first director of Finance under Reagan, fired--he had these terribly low estimates of how much Medi-Cal was going to cost.

Well, I told Weinberger back in November and December that if they went away from bargaining directly for these things, that the costs were going to go up enormously, and that it was one of the areas in the budget that had to be watched.

Well, you know, those people believe that private enterprise can do anything better and cheaper than government, and they've managed to convince a majority of the people in the country that that's a fact. The fact is that they can do some things better and some other things, they can't do as well. And this is one of them that they just blew.

Those costs went up faster than the Reagan people had projected. Their estimates were off \$100 million or \$200 million. I told them it would be \$100 million. I figured it ended up being closer to \$200 million. They were so different than the estimates that it was the chief embarrassment that led to Gordon Smith's resignation as director of Finance.

Fry: In your time, did you bargain with the providers?

Champion: Yes, yes. Ed Beach actually conducted the negotiations for me, and I met with them. We bargained out a schedule of fees. As a matter of fact, in the national health proposal that we put together for the president, we have returned to negotiation with the provider groups as one of the ways in which to control costs in the proposal we made, based in large part on my experience from that time that you can do that--that it brings some tension, some bargaining into the price thing, instead of having formulas that just go up and up without any controls.

Fry: Who did you bargain with?

Champion: The California Medical Society, the--

Fry: --state? Not a group of county medical societies.

Champion: That's right. The state medical society. Sam Sherman, I think, was then the head of the state medical society, or at least he negotiated for them. They had a team. Ed Beach can give you all those details on those negotiations.

Washington Lobbyists; Congressional Delegation

Fry: The only other thing I was going to pick up here was more on the federal-state relations. Whose idea was it to get a lobbyist and how did you find Sprague?

Champion: We got Bendorf because he had been—he was the first one--and we got him—he had been Clair Engle's administrative assistant. Sprague was not the first one. When we were looking for a replacement, a number of names were offered, but one of them that was mentioned was Sprague, who was at that time the administrative assistant to John McFall, who I think at that point, was also the whip--deputy whip for the western states. Sprague had carried on that role for him. He'd done a lot of the work in that and had achieved a very good reputation.

I talked to him and I hired him on the spot. He was a very impressive guy. He's now the chairman of the Federal Deposit Insurance Corporation.

Fry: Oh, he is? Do you think he would talk to us?

Champion: Sure. He'd love to.

Fry: I think also there was a lobbyist that Unruh or the legislature put up here in Washington for a while.

Champion: Oh, yes.

Fry: Was that during your period?

Champion: Yes. I'm trying to remember his name. Sprague will know.

Fry: Was that in competition, or was it a cooperative thing?

Champion: Oh, yes. During the last two or three years, Unruh was trying to run the state. Unruh, through the reapportionment, had set up districts--or worked with people to set up congressional districts--for a lot of legislators. So there were a lot of former legislators who were back here as congressmen. There was a real--oh, some of them are still here--Charlie Wilson.

He'd sort of traded off. Phil Burton was the chairman of the reapportionment committee the first time around. Jesse went through, I think he had two shots at it--on the California legislature, he had two shots.

Champion: So as you look down the list of California congressmen, you'll see an awful lot of former legislators. Fewer now. Some of them retired. Dick Hanna was one of them. Tom Rees retired last year. Charlie Wilson, George Danielson, Phil Burton, and so on. There are a dozen or more.

Fry: So this gave Unruh a bunch of buddies in Congress?

Champion: Yes, it was a very close tie.

Brown was closer to the older members. Jerry Waldie was back here in Washington. He retired after he ran for governor. A lot of former Unruh associates were back here, back East. But most of the congressmen, the ones who had served a longer time, were old friends of Brown's.

We got along pretty well with the congressional delegation, although every once in a while, Jesse would start some fight over something.

Fry: I wonder if this had the delegation being pulled both ways.

Champion: Oh yes. There were a couple. But generally, it was funny. It ended up being over things that really don't matter much in the long run, like who should be state chairman. It's a battle royal over who should be state chairman; who should be southern California chairman. You'd get Carmen Warschaw and Libby Gatov.

I remember Tunney when he was still in the House, ended up making Jesse roaring mad because he voted for one of Pat's candidates. Just to show that Jesse couldn't order him who to vote for, which Jesse was trying to do.

There was a lot of that.

Fry: When it came right down to federal appointments or allocations of money that should go to California, there wasn't too much to argue about?

Champion: No. Unruh was somewhat more influential particularly in political appointments to southern California during the Kennedy time than Pat Brown was. He was closer to some of the Kennedy pols.

But in Johnson's time, it was all done through Brown. Jess's real power was his political tie to the Kennedys, to Kenny O'Donnell, well, through Bobby.

Family and Personal Recollections

- Fry: The story that we don't have is the sort of--something that would supplement the press accounts on your kidnapping. When you and your family were kidnapped.
- Champion: That was so exhaustively covered by the press accounts, that I can't think of--
- Fry: [laughing] You can't think of anything else?!
- Champion --anything. If you get the press coverage on that--I can't think of anything to add to that.
- Fry: Did your little daughter have any scars from that experience?
- Champion: No--she was only about eighteen months.
- Fry: Oh, I didn't realize she was that young.
- Champion: She's now fifteen and it's a great story to be told about. But she has no direct memories of that.
- Fry: Did it have any implications at all for you in your job?
- Champion: No. Well, I'll tell you one--there was one result of it that was kind of funny. When people were casting around as to whether Pat should run a third time, or even if he did run a third time, what happened was that my name got to be very well known because of that. Up to then, I had not been well known. And my wife's name got known.

So after we came back, there was a hot race for the Sacramento school board. It was for the swing seat that was going to decide on desegregation. So the people who wanted to desegrate the Sacramento schools, asked Marie to run. She ran and got elected, because her name had gotten very well known in this other connection.

Then there was a little buzz of--when the governor decided to run and Unruh, who had expected the governor to drop out from running again--one of the stories was that Pat had promised me that I could run for governor later on, and that his first obligation was to me. It was total hogwash.

Because my name had gotten better known, people talked to me about running for statewide office, which had never been considered before. But when I analyzed my own character and capacities, I politely declined that, but you'll still--

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Fry: Your name did come up occasionally as a possibility for running.

Champion: Yes. That's the only result of the kidnapping.

Fry: You've told me what you think your greatest failure was. Do you want to tell me what you think your greatest success was?

Champion: I treat it as not mine; it's collective in all cases.

I prefer to think of it, and I think there is some truth in it-- Jim Corman was speaking at a farewell luncheon for me the other day and he was describing my career. He said, "I want you to know that during the time of California's greatest growth and interest, that Pat Brown and Hale Champion did such a good job in California that they haven't had to have a governor since." [interviewer laughs]

I really do think in many ways we prepared the state for a long period of really not very good government by those who followed. The basic infrastructure of the state whether you looked at it physically or in terms of the basic assets needed to deal with that postwar tide of migration; it was coping with that, in terms of the higher education system, the water system, and in terms of setting some standards for the behavior and competence of the governor. Government has come upon bad times in these times, but I think we did a first class job under heavy pressure.

For eight years, in the midst of all that prosperity and all that movement, not one single member of that administration was found to have committed a corrupt act or done anything that led to--there were no scandals. Occasionally some liquor inspectors in Los Angeles would be fined and stripped of their jobs, or a small scandal would develop in the funeral-licensing board and I'd have to fire somebody and so on.

But it was an overall business of clean, effective government which delivered the milk even though we didn't get paid for it. I don't think people think enough about government in those terms, as performing fundamental services and helping societies make fundamental services and helping societies make fundamental adjustments. They all talk in terms of a piece of legislation that passed here or some innovation there, and some of them were important.

We did start Medi-Cal, which is not always run well, but which I think is damn important. We did build--we did finance the water project and get it underway. California would look very differently without it. We did expand the educational system so that higher education really was a normal expectation for everybody.

Champion: I think we even devised--we proposed some other things that didn't happen until later in terms of the tax system and the financial structure, but which were the right things and--well, I suppose I'm still very proud of that period of time and what was done, but not in terms of any one thing.

Atomic and Other Energy Development

Fry: I forgot to ask you one little thing. There was some kind of an atomic--what was the title of that--[checking notes] nuclear power committee or--that was set up at this time. Let me get the right--

Champion: I know we did a big study--

Fry: Do you know what that was?

Champion: --which shocked us. We did a study of where in the state you could locate nuclear power because we knew we were going to have to have some eventually. And what we found was that the planning called for--that it was all the old locations, the same locations that showed up on the planning map for state parks, because the conditions were the same--that you be away from heavily-populated urban areas, that you be close to water, all the requirements were the same.

Fry: Oh, is that how that happened?

Champion: So we said in order to try to figure out, okay, now where the hell can you build these things so they won't take all the most desirable areas in the state? And that's my only memory of that. I do remember that study, which was absolutely flabbergasting because of that consequence. So if you just took the pure planning requirements for nuclear power plants and good state park or wilderness areas, they were the same.

Fry: Because the criteria are the same.

Champion: The criteria were the same.

Fry: Well, it certainly has happened that way--

Champion: Has it?

Fry: --since then. Every time a power plant is attempted, it's always in a place where a state park should be, and so the controversy has loomed very large between environmentalists and the power companies and the state.

The name of the agency I was trying to think of was one established in 1959 and it was called the Office of Atomic Energy Development and Radiation Protection, established in Brown's office.*

Champion: That sounds like it was done in Fred Dutton's time. I don't recall that episode. I probably was press secretary at the time. It clearly did not have any long life because--

Fry: The other questions, then, would have to do with other parts of the energy picture. Like oil. And what kind of criteria did you use in the State Lands Commission for giving the leases to the particular oil companies? Did you have to select oil companies?

Champion: Oh yes, but we did it on a bid basis.

Fry: Oh, those who bid the lowest?

Champion: Yes. Well, it was a complicated bidding process and usually it meant that there would be several combinations of companies bidding together.

Fry: Like Santa Barbara.

Champion: Yes. Then also at Long Beach.

Fry: And then the royalties--the royalties were increased after that so that the state was able to actually have a pretty good rake-off on this, right?

Champion: There was a big suit earlier about whether those were Long Beach's rights or whether they were state rights. I think we won the suit, or there was a settlement of the suit.

It had started when Pat was attorney general, that litigation. Then I think there was legislation that carried out what were to be the terms of the--I think the settlement, in effect, was written into legislation plus a way of disposing of the revenues.

*By 1963, this had become the Atomic Energy Development Commission, in the Health and Welfare Agency.

Fry: If you could just give us some picture of the way the pressure patterns work among the oil interests in California, it would help us a great deal. We have some idea that the independent oil companies are frequently at odds with the majors.

Champion: Well, yes, in some of the independents, like Superior--like--what was the name--Keck--are so enormous that you have to treat them like majors--or Pauley or somebody like that, and those people. It reminds me of Fritz Hollings and the debate on some of the things Russell Long was doing with oil companies in the Senate. He said, "Oh, those little old independents. Those mom-and-pop oil companies!" [laughter] They're far from mom-and-pop. They were independent forces.

Actually we didn't get into the warfare between them very much. They sort of carried on their independent warfare. One of the guys who ran against Nixon for governor and I think helped set up Nixon to be beaten by Brown--

Fry: Joe Shell?

Champion: Joe Shell, I think was in one of the independent oil groups somehow.

But most of the problems that I had to deal with or that I knew about were not so much the oil companies, although they played back to us through Long Beach. They preferred to deal with Long Beach independently. The state was tougher to deal with than the city. So they preferred to have Long Beach play a bigger role.

Our big argument was how much we were going to have: how much control we could get, how much money we could get, in dealing with Long Beach, and then administer it so that we got the maximum dollars overall. My sense of the place where they came into play is that they were trying to keep us from getting that control.

As the arguments between those two groups and the way in which we ultimately put out the leases, I don't really recall much about that. There may have been things going on there politically and otherwise that I didn't know about, but I wasn't very conscious of it. I felt two big concerns. One was trying to get more control from Long Beach, which was a real political fight because they were very strong politically. They fought us every step of the way.

Champion: The other was the tension between development and getting the money out for the state and for various development purposes, and the conservationists' environmental pressures--how to balance those two sets of concerns.

And those are the two things I spent time on on the oil thing, so that that didn't really give me the direct knowledge of the oil business very much. Also we had a big scrap into which everybody including President Johnson got involved, over the buying of steel for the pipelines, to save money on the steel. Because it was a time when the American steel industry was terribly worried about the growing role of foreign steel imports, including Japanese.

They had a big national strike in negotiation in which one of their requests to Johnson was that he intervene in their behalf in terms of getting people not to buy, not import steel, even though it was cheaper. Maybe the most controversial thing in that whole business, in terms of how much heat and pressure was brought on me as chairman of the Lands Commission, was to buy steel in this country instead of buying Japanese steel, even though it would bring California taxpayers a lot more net revenues from the thing when we bought Japanese steel.

Fry: And you did?

Champion: Yes.

Fry: The other thing that isn't clear to us, though, is the process that an oil company goes through when they want to bid on a particular location in tidelands oil. How do you decide on what locations are up for grabs?

Champion: It's largely a technical matter in which the staff--well, we did two things. You let people--I forget, there was some process by which people could test, seismic testing to see what was--

Fry: You mean an oil man.

Champion: Yes. They could test. But we had the results and those results were known. They may have some more intimate knowledge by virtue of the fact they'd actually done the testing. There probably were subtleties of levels of information about it. But the ability to test was, I think, also bid out just the way--I don't remember; I'm hazy on detail on this. We'd really need to go back to the State Lands Commission to get the exact processes.

But I think it was a fair and open process, both as to the initial testing and as to the bidding, once we determined which were the likely ones and which ones would have the least environmental impact to go ahead, and so on.

Champion: We tried to look at all those factors in deciding which areas should be bid.

Fry: And Santa Barbara was probably the most controversial one that you had during your term?

Champion: It was more controversial afterwards than it was before.

Fry: That's true, yes.

Champion: There were a few people in Santa Barbara who opposed it at the time, and we tried to look at the concerns that they raised, and then we got all the expert testimony saying that it won't leak and then there was a leak. They were wrong.

It isn't the first time, and it probably won't be the last time, but--

Fry: It's those darn earthquake faults. They did you in on oil and now they're coming home to roost with the problems of nuclear plant location.

Champion: Yes, we did have one on nuclear plant location, up around Point Reyes.

Fry: Yes.

Champion: Did anything ever happen with that?

Fry: Yes, they didn't have it. I think the environmentalists won that round.

Well, thank you very much.

Champion: It's a pleasure.

Fry: If we think of any other questions, we'll send them along with the transcript.

[end of interview]

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CALIFORNIA:

To the Victors Belongs The Empty Treasury

HALE CHAMPION

AFTER LONG YEARS of hunger and privation, California's euphoric Democrats sit around the victory banquet table. They have just had a most satisfying dinner, and no ghost has yet made his presence known. But there is nevertheless a haunting uncertainty in the air. For despite all the splendor of their triumph, the Democrats have not yet established anything like conclusive control of California's vast and growing political strength. Moreover, their leadership may not be up to the difficult task of doing so.

The Democratic Party in California has been building carefully and well since 1952, largely with the youthful energy and enthusiasm brought into the party that year by the first campaign of Adlai Stevenson. It has developed a state-wide party voluntary organization of some forty thousand precinct workers, an organization oriented to ideas rather than jobs. This unique mass organization, the California Democratic Council, is shrewdly integrated at most levels with the statutory party organization, and their leaderships, working together, had helped bring the party's legislative strength almost to parity with that of the Republicans even before the 1958 campaign.

Significantly, they had also helped restore partisanship in a state in which Hiram Johnson and Earl Warren had come close to destroying it. Johnson's peculiar device, the so-called "crossfiling" primary system in which California candidates could seek the nomination of both parties at the same time, is still in operation. But it is no longer so useful to well-known G.O.P. incumbents because of two recent changes made by the Democrats. The first, inaugurated by referendum two years ago, required that the crossfiling candidate must identify his party on the ballot, something he didn't have to

do before. Secondly, the C.D.C., as the Council is usually known, came up with an effective pre-primary endorsement technique to concentrate most of the party's strength behind one candidate in the primaries. Where happy Republican incumbents, their own party nominations assured, once coasted to victory or near-victory in Democratic primaries against often divided Demo-



cratic opposition, they now usually find themselves up against a single strongly backed candidate.

But even these factors are not so firm as they seem. The Democrats have 1,200,000 more registered voters than the Republicans. Edmund G. (Pat) Brown won the governorship by just about 1,000,000, and there is a natural tendency to assume a near party-line vote. But with one exception, other state-wide Democratic candidates drew far fewer votes than Brown. The fact is that Brown, the victorious Democrat, was much more in the image of such moderate Republican favorites of the past as Warren and Johnson than was Knowland, the defeated "radical right-wing" Republican. Who can guess what California's voters may do in the future if confronted by a match between a moderate Republican and a moderate Democrat?

If this election didn't provide an

authoritative answer to the future of California politics, perhaps what happens between now and 1960 will. During those two years, the Democrats have a chance to resolve most of their present problems in their own favor.

Problems and Leaders

What are the California Democratic Party's prospective major problems and what is the potential for their solution?

Leadership ranks at the top of the list. Pat Brown is much better than *Time* magazine's "Just Plain Pat," but there was truth as well as distortion in that caricature. His spectacular victory over Knowland does not make him a giant killer—it happened that Knowland turned out not to be a giant. He has had a fairly successful career in lesser posts. For seven years as district attorney in San Francisco and for eight years as state attorney general, he has pretty much stayed out of trouble and done his job. He is energetic, but he is also excessively cautious. Caution may be vital to political survival in minor offices, but it can bring political ruin to a man in a position requiring strong, positive leadership. Newspapermen know Brown as an honest, fair-minded, and moderately able fellow who, when he finds himself compelled to act, usually does the right thing—especially if the right thing isn't too hard to do.

Some of the credit for Brown's victory must unquestionably go to a young former utilities corporation lawyer, thirty-five-year-old Fred Dutton, who was drawn into politics a few years ago by the charm of Adlai Stevenson. Dutton's first big political job was as Stevenson's Southern California campaign manager in 1956. As Brown's campaign manager, he did an organizational and policy job that earned him some enemies (something Brown would be better off earning more of one of these days), but also gained him an enviable reputation as the best of the party's new "pros" in California. He is moving with Brown to Sacramento as his executive secretary, but whether he will remain as influential as he was during the campaign remains a question. He is more committed to ideas and ideals than is

Brown. Even in the hurly-burly of the campaign, he reached for a perfection of performance that made some who worked with him, including Brown, uncomfortable at times.

NEXT TO BROWN on the leadership ladder one would have to put Clair Engle. The forty-seven-year-old Engle ought to become a senatorial fixture: a man who comes to the Senate just after being the powerful and adroit chairman of the House Interior and Insular Affairs Committee and a member of Sam Rayburn's inner circle (Engle even tends to talk in Texas jargon) is not really a freshman. But he has handicaps when considered as the potential top leader of the party in the state. He has no mass base of popular support in the party at large. If, for instance, State Senator Richard Richards of Los Angeles County had sought the Democratic senatorial nomination, it seems almost certain he could have had it. Engle has experience, intelligence, and ability; yet a lot of people who observed him up close during the campaign saw the salty folksiness that helped in his home Congressional district up in the "cow counties" of the Sierra, but not his other attributes. It must be conceded that he often didn't display them.

Perhaps next in line comes Richards. Many in Southern California see in him the greatest available potential for the near future. Richards is forty-one, a speaker of some eloquence and a man of maturing political intelligence. Most important of all, he holds by steadily increasing majorities his state senate seat from Los Angeles County. That means he holds, almost as a political fief, the home of forty-two per cent of California's voters. Increasingly, Los Angeles is the political powerhouse of the state, and increasingly Richards knows where to find the switches in the powerhouse. His next shot at a major office—he lost a respectable race to G.O.P. Senator Thomas Kuchel in 1956—will come in 1962. He can either run again against Kuchel or, if Brown is not up for re-election, seek the governorship. Richards also has the advantage of old ties to the C.D.C. and could expect that group's active support in almost any venture.

A fourth important figure is Stanley Mosk, the new attorney general. He was a sort of "boy wonder" under Culbert L. Olson in the last chaotic Democratic administration of California from 1939 to 1943, and since then has been a superior court judge and a good one. His amazing success against Representative Patrick J. Hillings has made people take another look at him politically, and he conceivably could use the attorney general's job as a springboard, after the fashion of Warren and Brown. What happens may depend on his role in the Brown administration. There are signs that it may be a very important one.

Brown's Study

Other men, of course, offer possibilities. But for the moment, anyway, the leader will be Brown, aided by Dutton. How well can he be expected to deal with his major problems?

Because Brown is the head of a victorious party, he has intraparty problems. He must convince skeptical C.D.C. workers and others that they have won more than a famous victory in his election. If his ap-



pointments are good and his initial legislative program is "progressive," these ideologically oriented politicians will be half satisfied. What would make their satisfaction complete is some assurance that Brown and Dutton don't think their job is over just because the Democrats are in office in California. If Brown alienates C.D.C.'ers with a lackluster program or dismisses them as unnecessary to the future of the party, he will make a fateful mistake. The C.D.C. or something else that will channel the same energies and enthusiasms, is badly needed. As an organization it is not all good, but Brown had better find a way to retain its friendship.

More crucial, however, are the problems of state government. The Democrats have inherited an empty state treasury from Governor Knight, whose inadequacies are just beginning to be revealed. As a result the

Democrats are going to have to do something drastic and unpopular about taxes. They must also deal with an impasse on water problems between Northern California and Southern California that developed during the Knight administration and is now fraught with political peril. During the campaign, Brown stayed away from commitments on both problems, so he has working room. If he can persuade people of the difficulties under which he is taking over as governor, they may forgive him a new tax or two, and perhaps even a water solution that doesn't fully satisfy anybody. This is the kind of task for which Brown is best fitted. His fair-mindedness and his talent for compromise may help both him and the Democrats through this very delicate situation.

Good First Act

With all this and more to think about, and all the work there is to do, it will be 1960 before Brown has time to look up. And yet look up before then he must, both for his party and for himself. Perhaps 1960 will be the most important year in the history of his party in California. If the Democrats can retain control of the assembly that year (continued control of the state senate seems certain), they will conduct the 1961 decennial reapportionment of Congressional and legislative districts. The importance of this just cannot be exaggerated. In 1960, California's continuing population boom will entitle the state to at least seven more members of the House of Representatives, increasing the delegation from thirty to thirty-seven or more. By using the new seats and undoing a careful G.O.P. gerrymandering done in 1951, those in charge of the 1961 reapportionment may well shape the whole future political history of the state. Also at stake is control of the legislature—the key to Republican power in the state for the last half century.

ALL IN ALL, California will offer a fascinating political drama for the next two years. The 1958 elections were a fine first act, but no more. What happens between now and 1960 will determine whether California's Democrats really have a long-run production on their hands.

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